

INSIDE: PIERRE TRUDEAU RETURNS TO THE FIGHT

Maclean's

JUNE 8, 1987

CANADA'S WEEKLY NEWSMAGAZINE

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HOLLYWOOD HITS 100

How Big
Business Took
Over The
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CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

JUNE 4, 1987 VOL. 186 NO. 23

COVER

Hollywood Hits 100

In 1887 Harvey Wilson, a Kansas real estate agent and prohibitionist, subdivided a 128-acre tract of land in southern California and the myth that has become Hollywood was born. A century later the movie industry that has become synonymous with the city is facing a crisis. But the major studios, with their huge financial clout, still control the cinema.

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New rules for war

With West Germany's expected agreement this week, the elimination of all intermediate- and short-range nuclear missiles in Europe will now closer to reality.

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A career with branches

Laurence Fishoe, who started her acting career in Edmonton theatres, has successfully branched into television drama and is now working on two movies in Toronto.

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Trudeau's power punch

After weeks of silence, former prime minister Pierre Trudeau successfully attacked the Meekis Laik constitutional accord, calling it a "total bungle."

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Unemployment and shame

Tokyo is booming, but rising labor costs and the soaring yen have crippled industry in other parts of Japan. Laid-off workers are finding it a heavy burden to bear.

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Past and foremost

When Maclean's Senior Writer Brian Johnson walked down the sidewalks of Hollywood Boulevard as he was reporting this week's cover story, he found it difficult to look anywhere but down. Bold Johnson: "Every single of steps, you're looking at one of hundreds of stars inlaid in brass and coral terrazzo. Everybody seems to be there, from Mickey Mouse to Shirley Wooters." He added: "It took me a while to find Marilyn Monroe's star. But I eventually discovered it, half



Ross, Johnson: "Monroe and gold"

obscured by the scaffolding of a new McDonald's restaurant that was going up. That image struck me so powerfully symbolic of what has happened to Hollywood."

Indeed, the legends of the silver screen are still visible on Hollywood's 800th anniversary—etched in sidewalk stars, concrete handprints and plastic souvenirs. But Hollywood's movie industry is now dominated by a marketing empire that trades more in volume

than in glamor. Like fast food, its products are too often thin, tasteless and unmemorable.

Still, as Entertainment Editor Val Ross, who edited the cover package, commented, the magic of Hollywood is timeless. And she recalled a childhood incident that left her with an enduring fascination with the movies: "When I was 3," said Ross, "my mother took me to my first movie, *Monk on Wood* with Danny Kaye. I was so entranced that I went to the front of the theatre to touch Kaye physically. Up close, I found out that there was no movie star, just a screen full of tiny holes." Unfazed, she added that she touched Kaye anyway. Said Ross: "So powerful is the illusion of the movies that to this day I still remember touching the ankle of Danny Kaye."

Kevin Doyle

Maclean's, June 3, 1992

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Q&A: ONYSZKIEWICZ

Voice of the underground

As the official spokesman for the national co-ordinating committee of the Polish trade union *Solidarity*, Jacek Onyszkiewicz is continually under the watchful eye of the country's Communist authorities. Onyszkiewicz (pronounced Onish-ee-veet), a mathematician who helped to form *Solidarity* in 1980, has been periodically detained since the regime of Gen. Wojciech Jaruzelski banned *Solidarity* and imposed 18 years of martial law on the nation of 27 million people in 1981. Indeed, in April this year he was subjected to interrogations for alleged involvement with Albert Muzier, the U.S. Embassy official arrested by Polish authorities on spying charges. Onyszkiewicz, 50, who lives in a third-floor Warsaw apartment with his wife, Joanna — the granddaughter of Poland's First World War victory hero Marshal Józef Piłsudski — called the charges "pure fabrication." Maclean's *Column Bureau* Correspondent Robert Maclean recently interviewed Onyszkiewicz in his home about the future of *Solidarity* and of Poland.

Maclean's: Where does *Solidarity* stand now?

Onyszkiewicz: *Solidarity* survived the martial-law period with its basic structures intact on the national, regional and the factory levels. At the national level we have an undisputed leader Lech Wałęsa in tandem, closely collaborating with him are two bodies, the activist *Solidarity* Council, which is public, and the representatives of underground structures in different regions — the so-called governmental co-ordinating committee. This triangle is our supreme decision-making body. Then we have smaller councils at the regional level. At the lowest level we have only underground structures. The reason for this is that although people of national or regional standing are somehow protected against police harassment, people at the factory level could be quite easily harassed if the authorities knew about them, simply by expelling them from their jobs. Authorities know that they can sack people at the lower levels, and nobody will raise enough pressure. So making our factory committees open would be a recipe for the complete elimination of *Solidarity* from the factories. **Maclean's:** How many members does *Solidarity* now have?

Onyszkiewicz: We don't have a formal



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membership list—that would be folly when being a member of an underground organization is a crime for which you can go to prison for three years. But there are some indications—like the number of people still paying union dues. That figure is somewhere between 500,000 and one million people. Most of our finances come from this source. There is another indicator: how many people read our underground press. According to the official polls, about 10 per cent of Polish adults admit that they have access to underground publications. Then there are people who would participate in Solidarity activities and actions—and run a personal risk. Take the example of the 1988 funeral of Father Jerzy Popiełuszko, the pro-Solidarity Roman Catholic priest murdered by state-security policemen. Everybody felt that on that particular day everyone was quite safe and could safely attend the funeral in Warsaw alone. We had about 700,000 people at the funeral, and it was not 700,000 churches—it was 700,000 Solidarity supporters.

Maclean's: Has Solidarity been undercut by the Polish government's recent efforts to institute reforms?

Ogorkiewicz: No. The state is simply reacting or conceding certain things under pressure. In the Soviet Union they are conceding not under the pressure of

the society but under the pressure of economic circumstances. In Poland all the liberties we have were bitterly fought for and won. We simply forced the authorities to accept certain things as a fact of life—there is nothing that they can do about it. We have more or less institutionalized openness in this country—something not conceded gracefully by the authorities. It is simply won by many years of imprisonment and confrontations on the streets with the police force. This system develops from crisis to crisis, and only as a result of the crisis, some new changes can be brought about.

Maclean's: How do you assess Poland's future under the Solidarity?

Ogorkiewicz: The main problem in Poland is our economy. It is not our society. It is not enough to simply re-arrange industry or the infrastructure. It means that we must make important political changes, because everybody agrees that economic reforms must be market-oriented. It means we must have independent enterprises. Within the present framework of official state

tutions, it simply cannot be done because making enterprises independent is against the interests of the party apparatus, which so far controls industry on every level. Making it independent will simply reduce the sphere of their reign—as the party is certainly not interested in this kind of economy. The managerial group is not concerned because the centrally planned economy is a very easy system for them, and they made their careers in it.

Maclean's: How would reform affect Polish workers?

Ogorkiewicz: Employees would be faced with periods of austerity because creating independent and self-financing industries means cutting subsidies on consumer goods, which means price rises. Restructuring industry also means at least part-time unemployment. So workers will be asked to pay a heavy price for economic reforms. The only way that you can convince them that they should pay this price is if there is a general consensus that certain economic programs should be carried out—and if there is some confidence that their sacrifices

will not be wasted. The only way that they can get this kind of security is if they will have the chance to participate, if their interests will be genuinely protected. In particular, it is a question of the independence of the trade unions—and that is where Solidarity comes in. **Maclean's:** How do you function after Solidarity was banned?

Ogorkiewicz: When Solidarity was banned we lost the possibility of meeting and our statutory bodies could not function. So we set up an underground co-ordinating committee that was accepted as the supreme executive body for the union at the national level. This still exists, although it is now mirrored in the open by an open council. That we could do only after last September's assembly granted to imprisoned Solidarity activists, when we felt that it would be extremely embarrassing for the authorities to carry on with the arrests.

Maclean's: Are you encouraged by the changes in the Soviet Union under General Secretary Mikhail Gorbachev?

Ogorkiewicz: Yes. They create a different atmosphere in which the situation in Poland provides a striking contrast. We do hope that this word of change in the Soviet Union will also affect our ruling groups.

Maclean's: But how far can you push the system and still safeguard the Soviet strategic interests in Eastern Europe?



Ogorkiewicz: We are quite convinced that we can go much further. For example, leaving the Communist party to have the final say in such matters as our foreign policy, our national defense and so forth would give the Soviet Union enough guarantees that their strategic interests are safeguarded in Poland. But that still leaves a vast area for more or less free activities—and in particular it leaves the possibility for independent trade unions to operate in Poland.

Maclean's: As a moderate, do you think that the trade-union movement could collapse because of more radical elements within it?

Ogorkiewicz: It could well happen, but it would be outside Solidarity. Foreign generations who simply didn't pass through the period of Solidarity realize that they have a very bleak future. The waiting time for an apartment is about 28 years in Poland, and the jobs that would give you job satisfaction are extremely difficult to get. So the younger generations are very pessimistic. They see that Solidarity is not moving fast enough for them so they may simply resort to much more radical measures. I hope that we will somehow manage to organize these people, and in case of some major emergency, we will be able to organize this eruption and to channel it in a constructive way. But there is no guarantee. There is ranking out.



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AN AMERICAN VIEW

A new twist to video violence

By Fred Bruning

Edical questions aren't to prevent themselves in peculiar places, and so it was that the owner of a Long Island video store declared that he had compromised his video sufficiently and would reject no more. His concern was focused on a series of cassettes called *Force of Death*, a visual anthology of dismemberment, necrotic, excruciating and animal slaughter that passes these days for entertainment. The video even said market pretenses had forced him to stock Parts I and II of *Force*, but he would not—absolutely and finally, would not—place Part III on his shelves. The latest installment, he said, was rumored to be so bloody and brutal that even his distributor was backing.

"When people ask for Part II, I tell them to go somewhere else for not dealing in that stuff."

Under the best of circumstances, a trip to the vid-shop may prompt the customer to lament his career as a Sunday School teacher. Here, only the worst plays and devils are beyond the reach of temptation. Titles alone are enough to bring a fleeting case of the vapors. *I Like to Watch*, says one cassette cover. *French Postcard Girl* another. Elsewhere one spots *House of Love*, *Conting Coach*, *Love Baited*, *Night Nurses* and *Slightly Nerve Confused*, a young man from Manhattan who recently landed in a jail. "The first tape I viewed was *Robber Dies Dallas*," his eyes gleamed. His tongue dangled on though he were a lanky teen in the act.

Now son, of course, has always been with us, and one need not be depressed to meet with more vigor for its continued success. Many a suburban housemaker, after all, has been seen slipping into the "Adult" section of the local video outlet, there to choose the evening's diversion. And who is to say that, once the kids are snuggled into bed, once the dishwasher is loaded and the last towel retrieved from behind the bathroom door, it is not entirely reasonable to stuff the hair a bit, suit horses from his snarling chair, fire the lights and, pop. *Flash* Pours into the cassette machine?

That our children are availing themselves of such remarkable audio-visual aids is, nevertheless, cause for dismay. For one thing, they are having considerably more fun than we did at their age, and that, of course, is discour-

ing. If we had to sneak behind garages to gaze upon the crossed parts of contraband magazines, if we had to fear our mortal souls would be damned and our bodies barbecued for eternity, if we were forced to hypothesize endlessly about the aptitudes and mechanics of carnality with little prospect of putting even our humblest theories to the test—if we had to suffer so exquisitely, is there any reason why our offspring should suffer less?

A child's early acquaintances with movies may occasion some sober misgivings as well. If nothing else, this is liable to be a generation for whom only perfect sin is good sex—a terrible burden to bear. On screens, hearing so-appearing make every moment sensu- rific with unguessed pleasure. Ex- cusers confine for longer than most professional football games, but never is there a time out, never a dropped pass or blocked field goal, never a line

A child fascinated with electrocution is not the sort one wants creeping into the master bedroom for an impromptu visit

plunge that falls short. By the time adolescent video fans reach the age of majority, the resolution of so many violent encounters may render their own efforts seem strictly small-time.

But while we may fret about the long-range effects of titillating video subject matter, far more unsettling is the devotion of our little ones' pen to screens of blood and carnage. After all, to while away the afternoons observing the predilections of Little Girl Annie, as one cassette is called, and it is another for the youngsters to gather round the table to witness behind-the-scenes and meal preparation in a restaurant that serves fresh monkey brains.

Whereas sexual content in movies may prompt parents to fret about everything from early pregnancy to anomalous orgasmic expectations, the kind of material collected in *Force of Death* and other films of its pedigree may suggest to Mom and Dad that the time has come to lock up the serrated knives and install an alarm system on Jonny's door. A child fascinated with electrocutions and close-ups of abhor-

nal tamers is not necessarily the sort one wants creeping into the master bedroom for as impromptu prelude to suit.

Whether or not a youthful taste for the bellicose makes sound sleep inadvisable is hardly noteworthy. That young Americans find video of such mass digestion. Even the land of make-believe has become an inhospitable place. Feature films like *Full Moon*, *Friday the 13th* and others in what is known as the "video and dir" genre are enough to make a sleeper long for the days when screen terror usually entailed shots of a mechanical hand gnawing on a corner of Telly's business district.

The primary audience for ultra-gore is the cadre of high-school and college age, but younger children also are viewing hard videotapes. Quite naturally, we want to shield our progeny from material that seems better suited to a pathology class than a post-adolescent sleep over. Yet, in a nutshell, some states have enacted laws requiring that video shops display film industry ratings on cassette, and in Ohio legislators are considering a bill that would bar shopkeepers from renting or selling certain explicit videos to anyone under 18.

Mining cassettes difficult to obtain will not persuade many that it is undignified to munch apple-style potato chips and French-onion dip while as the television screen a man jumps to his death from a six-story building. We have seen already that the relentless quest for cheap thrills prods unabated despite all the sanctity-of-life speeches delivered by preachers, parents, editorial writers and commentators. Community standards count for nothing when a child craves a little madness.

Yet, it is possible that kids will outgrow video violence the way they do the taste for watermelon bubble gum. Maybe this idea matters to our own heads. The kids want violence? Let them watch while we attach baguette and advance, snoring, on all these VCRs.

Fred Bruning is a writer with Newbury in New York.



Trudeau's power punch

The head table constituted a formidable display of earthly and spiritual powers. In the centre sat the expansive grandfather of honor, Toronto's **Ernest Cardinal Cerny**, being fêted for his 84 years in the Roman Catholic priesthood at a glittering \$200-a-plate dinner in Toronto last week. Among the guests were an all-star political trio—Prime Minister Brian Mulroney, Liberal Leader John Turner and former prime minister Pierre Trudeau. The three men exchanged smiles and ritual handshakes, then dined on beef Wellington and secondly. But a whiff of Trudeau did not tell Mulroney or Turner that, even as he toasted the prelate as a "great churchman," presence in Toronto and Montreal were giving him virtually denigration of the Jewish-Lake constitutional accord and of the politicians who fashioned it. Wrote Trudeau: "It would be difficult to imagine a more total bungle."

Trudeau's withering assault—published on May 27 in Montreal's *La Presse* and *The Toronto Star*—was the first break in his self-imposed political silence since his retirement in June, 1984. And in one swift stroke, it changed the profile and the nature of the constitutional debate. The former prime minister's passionate opposition provided a sharp contrast to Turner's lukewarm acceptance in principle of the April 30 initiative agreement to bring Quebec into the Constitution. The disagreement also deepened divisions within the Liberal party over the accord and over Turner's leadership (page 12). As one Ontario Liberal told *Maclean's*: "Trudeau's effect on the party will be incredibly divisive. There are echoes everywhere—and battles everywhere—across the country."

Soon by Trudeau's next move, Mulroney and all 30 premiers reaffirmed their determination to finalize the wording of the accord at a meeting in Ottawa this week. That may be a hard task. At week's end, federal and provincial negotiators meeting to draft a final text for presentation to the first ministers had failed to reach agreement on the wording. Still senior federal negotiator Norman Macdonald, "Some difficult areas remain."

If the Prime Minister and the premiers agree on a text, Parliament and

all 10 provincial legislatures will try to approve the accord before October. Senior Liberal Conservatives insisted that Trudeau had helped Mulroney—and his tenuous ally according to a senior Tory who supports the accord, "Trudeau can do nothing but good. He

is the test of the tentative agreement. After the harrowing and divisive constitutional debates of the early 1980s, many Canadians seemed to simply stop paying attention to constitutional disputes. But Trudeau appeared to spur efforts to force a delay in implementing the accord and slow time to conduct a detailed re-examination of its impact. Groups ranging from the National Action Committee on the Status of Women to a coalition of leading historians and authors urged politicians to postpone final agreement. Stephen Scott, a constitutional law professor at Montreal's McGill University, told *Maclean's*: "There has been no effective debate of this massive transformation of Canada. The whole process is disastrous and unendurable. I ask myself: What kind of responsible government is this? What luxury has taken over?"

Trudeau's denunciation of the agreement raged from a devastating dismissal of its individual clauses to sharp personal attacks on the politicians who framed it. The former prime minister condemned his detractor on a clause that designates Quebec as a "distinct society"—and which asserts that the role of the Quebec government and legislature is "to preserve and promote" that identity. That proposal, Trudeau said, was an invitation to promote the primacy of French in Quebec's economic, social and linguistic policies. Still Trudeau: "Those Canadians who fought for a single Canada, bilingual and multicultural, can say goodbye to their dream."

—BRIAN MULRONEY

"You can have the old style... or you can have genuine co-operative federalism."

was far too confrontational, and confrontation is a thing of the past." Added another senior Tory who expressed the hope that Trudeau would derail the accord: "By his tone, he has destroyed the issue and made himself the issue."

But Trudeau's passionate discourse, coupled with his continuing coyness against the accord on radio and television, also focused belated attention on

what also assailed the legal implications of other clauses. Proposals to give the provinces increased control over immigration would force Canada "to let the bill for its own balkanization," he declared. Likewise, provisions that would require Ottawa to make appointments to the Supreme Court and the Senate from provincial lists would give the provinces "an absolute right of veto over Parliament since the Senate will eventually be composed of persons who owe their appointments to the provinces." He also condemned a proposal to allow provinces to opt out of national shared-cost programs and receive federal compensation if they undertook programs "compatible with national objectives."

Declared Trudeau: "That will enable the provinces to launch the balkanization of languages and cultures with the assistance of federal services."

He noted that Mulroney had assumed no concessions from the provinces in return for giving some federal powers in social programs, he dismissed Mulroney as a "weakling" and Quebec nationalists as "enemies." "Provincial politicians," he added, "don't know the stature or the vision to dominate the Canadian stage as they need a Quebec scenario as their goal. And he charged that Mulroney and the premiers signed the accord "because they all saw in it some political advantage."

The repercussions were enormous. Conservatives promptly scored on the tone of Trudeau's remarks, deftly sidestepping their substance. Mulroney reminded Canadians about Trudeau's fierce battle with the provinces throughout the late 1970s and early 1980s in his extended campaign to bring the Constitution home from the United Kingdom with a Charter of Rights and Freedoms and an amending formula. Calling Trudeau's campaign a "low-level comedy," the Prime Minister declared, "We now have the old style of warring federalism or you can have genuine co-operative federalism

as which we are trying to build a new country." The 10 premiers defended the accord—and many of them attacked Trudeau. The four western premiers, attending their annual meeting in Banff, Alberta, expressed their "collective satisfaction" with the agreement. Liberal Premier Joe Gin of Prince Edward Island said that he "profoundly disagreed" with Trudeau. Newfoundland's Brian Peckford added that Trudeau "had his chance and he bled it."

And Quebec Premier Robert Bourassa, a target of Trudeau's scorn, protested that "the country is not weakened—it is more united."

In the face of that criticism, Trudeau

meant, he said, because "I mean that to be offended—I think they are doing something basically wrong."

Trudeau was briefed in Montreal a few days after the April 30 accord by Sperler, secretary to the cabinet for federal-provincial relations. According to one federal official, Trudeau "asked some questions, but didn't offer any comments." In the next three weeks Trudeau worked on his list, showing draft copies to several longtime friends, including relations. Liberal cabinet minister Girard Pelletier, in the wake of their suggestions, Trudeau made major revisions. He wrote in French, then a junior partner at his Montreal law firm of Hénault, Hénault, Tremblay and Blais. He

remained in the Liberal shadow cabinet three weeks ago to protest the accord, said that Trudeau was angry because he once believed that Mulroney shared his vision of the country. "I think he feels completely betrayed," Johnston, a longtime Trudeau friend, said in an interview. "He devoted his entire public life in the unity of the country, and now he is told that *Quebec is a dead idea*." As the controversy grew, the Liberals launched a determined effort to reconcile their disparate positions. Although Turner has supported the accord in principle, senior Liberals said that he will likely demand changes in the wording of key clauses—if the premier and Mulroney discuss agreement after this week's meeting. But the shift might offend French-speaking Quebec Liberals who support the accord. Former Quebec Liberal *senior Pierre Desjarais*, for one, said that Ottawa already consults the provinces over the appointment of Supreme Court justices.

Trudeau's intervention also aroused broader calls for a delay in Ottawa's constitutional timetable. The National Action Committee on the Status of Women expressed concern that the accord could prevent the introduction of expanded federal social services, such as a national day care program. Meanwhile, a coalition of prominent Canadians, including Toronto lawyer Howard Greenbaum and author Hugh MacLennan and historian Desmond Morton, pleaded for a full public debate before implementation. In a statement, the coalition declared: "It is a disservice to Canadians to proceed with the 'constitutional' provisions [when] the terms of the treaty [were] unexplored and unexplored." It was a message that grew louder as Canada's leaders edged closer to a deal.

—MARY JAMNICK with PAUL GERRARD, and BELLAIR MACDONALD in Ottawa, and JEFFREY RAYLAGE in Montreal and JAMES HENRY in Toronto



The great Liberal divide

The situation seemed painfully familiar. As Liberal MPs gathered for their weekly caucus meeting in Ottawa, another controversy had placed their ideological differences. And instead of sheltering his troops through the crisis, Liberal leader John Turner was in Toronto on private business. In Turner's absence, Pierre Trudeau, their former leader, had emerged from almost three years of political retirement, issuing a scathing indictment of the Meech Lake constitutional accord that Turner had earlier endorsed in principle. The new coalition of the old and the new were being tested as never before. After three hours of intense discussion, the caucus members left the meeting room in Parliament's West Block. Acknowledged Maclean's Mr. David Sawyer: "We're bleeding a bit."

Trudeau's intervention deepened the party's yawning divisions over constitutional change. But the Constitution is not the only issue to fracture the 40-member Liberal caucus in the Commons. It has also been split by public disagreements over free trade and defense policy. In an attempt to silence the dissidents, Turner announced last week that he would fire any MP from the shadow cabinet who differed with him.

But Turner's self-described "savage" words failed to rally his parliamentary followers or to silence his critics within the party's rank-and-file. Many Liberals still privately think Turner lacks the skill or the drive to unite the party, to attract new high-profile candidates, or to deliver himself to the voters—despite the Liberals' position at the top of the opinion polls. Said one senior Ontario Liberal: "There is an suspicion lurking out there: let us get the [next] election over and then get rid of him."

There was no evidence of an open revolt against Turner, but even his loyalists were flashing ambiguous signals. Several Turner supporters, asked to assess his performance, had little to say. One, Jack Austin, for one, noted that Turner is "heavily supported in British Columbia," but he declined to elaborate. The anonymous appeared especially widespread in Ontario. Said one Liberal organizer in Toronto: "I am behind John

Turner 1,000 per cent—but I am having problems with him and so am a lot of others."

Sense of Turner's closest associates initially said that Trudeau's statement would not harm the Liberal leader. Instead, they argued, it would allow him more than ever to put his own stamp



Turner with wife, Gail, at Shaw opening, raised signals.

on the party. David's son Turner said: "This will be the last issue on which the previous era can have a grip on Turner's leadership." But another source close to Turner said that the leader could be hurt if Trudeau were to launch a full-scale campaign against the Meech Lake accord. That scenario appeared to become a real possibility late in the week as Trudeau spoke out forcefully in national radio and television interviews. The former prime minister declined repeated requests for an interview with Maclean's.

A minority of Liberals applauded Trudeau's action, including Berger and fellow Montrealer MP Donald Johnston, who had both earlier condemned the constitutional accord and left their positions in the Liberal shadow cabinet. Said Johnston: "People are looking for an anchor to attach themselves to, and Trudeau's arguments will inspire them to become more active."

Turner himself appeared hesitant to become embroiled in the controversy. In Niagara-on-the-Lake, Ont., for the opening of the Shaw Festival, he said that he respects Trudeau's views. "We have discussed them a number of times over the years," Turner said, "but I have not changed my view of where our Constitution must go." Turner has repeatedly said that he believes the Meech Lake accord is flawed, but he regards it as "a basis" for bringing Quebec into the Constitution as reported in 1981. Despite that tentative endorsement, a growing number of Liberal MPs and senators refused last week to guarantee the final constitutional package. They are awaiting the final wording of the accord to emerge from a scheduled meeting this week in Ottawa between Prime Minister Brian Mulroney and the 10 premiers. Turner and many of his colleagues have expressed reservations—although not as intensely as Trudeau—about the constitutional deal. Among their concerns that federal spending power might be weakened by the accord, and that Quebec might be isolated from the rest of the country by being labelled a "distinct society" within Canada.

The best outcome for party unity, some Liberals and privately, would be for the Meech Lake accord to collapse this week—allowing them to sidestep the entire issue. Their worst fear is that the party will be irreparably split along language lines during the next election. Others, including Toronto MP Sergio Marchi, predicted that the party will eventually emerge unified from the controversy. Said Marchi: "Obviously, we must make it work. It is this one." Turner's performance in his next few weeks could be the deciding factor.

—PAUL GOSSELINK with DELIAZ MACKENZIE
in Ottawa, MARIE JACQUES in Toronto and
SUELL WALLACE in Montreal

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The French President's triumphal tour

In July, 1967, after Charles de Gaulle shaved his famous "Vive le Québec libre" from the balcony of Montreal's city hall, Prime Minister Lester B. Pearson, then in Ottawa, was among those who endorsed the French president's unprecedented interference in Canadian affairs. Last week, during his own official visit to Canada—the first by a French head of state in 30 years—Mitterrand carefully avoided a repetition of the controversy stirred up by his predecessor. At the end of a banking speech to a special session of Parliament on his first day in Canada, Mitterrand signalled an official end to the strained relations between Ottawa and Paris over French relations with Quebec. The new battle cry: "Vive le Canada! Vive la France!"

The clearest sign that Mitterrand's visit marked the normalization of Franco-Canadian relations was that he spent just a third of his five-day visit in Quebec—and, with an 18-hour stop in Regina, became the first French president to travel west of the Ottawa River. In fact, Mitterrand seemed more interested in raising global economic and security issues in his talks with Canadian officials than in discussing domestic affairs. At the same time, however, he used the trip to restate France's determination to maintain a special relationship with Quebec. As well, Mitterrand was reminded on several occasions that Canada wants a quick end to its long-standing dispute with France over fishing rights off the French islands of St. Pierre-Miquelon.

Prime Minister Brian Mulroney was determined to address any potentially controversial issues with Mitterrand early in the French leader's stay in the House of Commons, just a few hours after Mitterrand's 10:00 a.m. arrival in Ottawa. Mulroney himself raised the spectre of the 1967 diplomatic gaffe: "Twenty years after de Gaulle's visit," Mulroney said in greeting the president, "you will find a Canada at peace with itself. We cannot change the past, but we can shape our future."

In the same speech, Mulroney also raised the St. Pierre-Miquelon issue, identified by Canadian officials before Mitterrand's arrival as the single most serious bilateral irritant. The problem, Mulroney later admitted, would be "a case of our political maturity."

Canadian officials acknowledged that there could be no real negotiations with Mitterrand as the dispute

during his stay. The problem is too complex for quick solutions, since 1977 Canada and France have disagreed about the international boundary around the tiny French islands 22 miles south of Newfoundland. The French have also ignored Canadian protests for and in the disputed waters. A controversial decision by Canada last February to increase the official French take of cod in return for a com-

ments of his visit, Mitterrand said there would be no further negotiations as the dispute until Canada reopened its ports to French trawlers. The ports were closed last March in the wake of the controversy that followed Ottawa's decision to increase France's quota. Said Mitterrand, in uncharacteristically direct language: "I disapprove of this way of seeing, unfortunately right in the middle of negotiations."



Mitterrand with Saskatchewan Premier Grant Devine (second), 'normalization'

mitment to begin working toward an arbitrated boundary settlement has yielded no concrete results.

In fact, it is French Prime Minister Jacques Chirac who has direct responsibility for such matters. This will lend added significance to a planned visit to Canada by Chirac in late August. Still, Mulroney urged Mitterrand to already French efforts to solve the dispute. And over a lunch of Pacific salmon at 24 Sussex Drive with the president and French officials, Mulroney asked Transport Minister Jean Croissant—a Newfoundlanders familiar with the effects of overfishing on the province—to brief Mitterrand.

But the French president held his ground. In perhaps the most pointed

Mitterrand continued to use strong language about the fishing dispute during his half-day stop in St. Pierre-Miquelon, on his way home to France. Prior to Mitterrand's visit, about 300 level fishermen and officials in St. Pierre's community had that Canada's "unilateral decision" to close its ports to French commercial vessels was "unacceptable." Said Mitterrand: "Canada is using force, against force. Canada is a friendly country for the most part but is behaving in an unacceptable way in this matter."

But for the most part, Mitterrand's public remarks seemed designed to soothe, not offend. His 38-minute address to Parliament did not even mention the word Quebec. The sole allusion

reference congratulating Canadians on the bilingual nature of the country. On Tuesday and Wednesday in Quebec, however, Mitterrand raised the question of Quebec Premier Robert Bourassa that Quebec must continue its "direct and privileged" relationship with France. Indeed, Mitterrand said in a speech to the Quebec national assembly that France would continue to have a "special place" for Quebec in its foreign policy.

Mitterrand was clearly more interested in international affairs than in the diplomatic nuances of Canada-France relations. In the Commons, he

hoped Mitterrand's planned visit to a grain farm near Regina would help him understand the effects of European and American agricultural policies on Canadian farmers. But the president arrived in Saskatoon during the area's worst summer in almost a year, the drought made the dirt roads to the farm dangerously slippery, forcing Mitterrand to visit a grain elevator as the regional market of Regina's grain. Finally picking his way through deep mud, the ardent Mitterrand stood patiently in the deep loading area of the elevator for 30 minutes, listening—apparently with genuine interest—to an explanation of how local grain is shipped.



Mitterrand and Devine in Quebec: special relationship

Then he sat for longer than scheduled in the elevator's tiny office to discuss farming issues through a translation with local farmers and officials. Said Larry Perret, a local representative of the Saskatchewan Wheat Pool: "I hope he gets the message that people up here are suffering because of the world trade situation."

Throughout his visit, Mitterrand expressed interest in increasing trade between France and Canada. But he made the point most strongly during a stop in Toronto on Thursday. The president asked the Toronto Stock Exchange before addressing for 20 minutes through the city's financial district with Ontario Premier Donald Peterson an audience limited to 400. At a dinner attended by 1,000 people that night in Toronto's Convention Centre, Mitterrand said that French businessmen should be encouraged to invest in Canada and expand investment in the two countries—valued at \$25 billion last year.

Indeed, with the diplomatic storm clouds now cleared away, it is economic relations that will likely dominate dealings between Ottawa and Paris. The dominant statement of the new stakes came from Gov. Jeanne Sauvé. During a state dinner Monday night in Ottawa, Sauvé told Mitterrand, "The entire country must be able to share in the benefits resulting from the relations between Quebec and France." In the wake of the 1980 election, Canadian officials hoped such benefits would not be long in coming.

—MICHAEL BONE & G. Perry

Pleading for the farmers

Grant Devine responded his dilemma. The Saskatchewan premier had just emerged from a conference with Canada's three other western leaders, calling for increased federal aid for farmers. But Devine was about to meet visiting French President Mitterrand—and tell him that heavy farm subsidies in the European Community (EC) and United States are driving down grain prices and raising the livelihood of Canadian farmers. "It's delicate," said Devine. "He'll hear me saying on television the province was asking for farm subsidies, and I'll be telling him what it subsidies are doing to us here." But managing a delicate situation, the premier did exactly that.

The western leaders agreed during the two-day meeting in Saskatoon, Sask., that Ottawa must quickly repay fresh cash into the farming community. At the same time, they agreed that trade negotiations aimed at ending global subsidies be put on a so-called "fast track." And they recommended that Canada's burgeoning stockpiles of surplus grain be directed through food aid programs to countries in need. But in response to the request, Prime Minister Brian Mulroney—whose government has already pledged a special \$1-billion program to sustain farmers this year—said the Commons that support payments had caused an "agricultural trade war." Replied Mitterrand: "Pleasant Howard Power! Soon the books will be forecasting housing boom and cattle will be in the hands of bankers, not farmers."

The premier had other concerns as well. Alberta's Donald Getty cautioned his campaign for a so-called Triple E Senate—elective, efficient and with equal representation from all provinces—Power, for one, suggested that the Senate should be abolished, but British Columbia's William Vander Zalm endorsed the Triple E idea. Said Getty afterward: "When there was one there's now two. We'll keep going."

The premiers embraced Ottawa for not spending enough in the West and called for the abolition of policies that they said favor Central Canada. But they avoided any strong criticism of Mulroney or of each other. Declared Vander Zalm: "We're not going to put the country over to four western premiers. Canada would be the paradox."

—JOHN BOWEN in Saskatoon



New postal station in Toronto drags: preparing for the battle of the year

The posties' threat

For 30 years Robert McGarry, president of the Lester B. Pearson Union of Canada, has built his life around the postal service. In the 1950s McGarry earned mail through the streets of Toronto. In the following decades he traded his mailing for a pen and picket sign, as he led the union with lucrative contracts. Now, McGarry is warring his 20,000 members to "put aside a little money and a few cans of soup" and prepare for a full-scale battle to defend these contracts. Canada Post, the Crown corporation that runs the postal service, is determined to gain concessions from the latter carriers and the five other postal unions. Indeed, the two sides are in a no-holds-barred war that could plunge the country into a national mail strike as early as next month.

For both the labor movement and the Conservative government, the confrontation is shaping up as the labor battle of the year—and perhaps of the decade. Both sides have a great deal at stake. Leaders of the two-million-member Canadian Labour Congress (CLC), who have watched their member unions make concessions to employers in contract settlements since the recession of 1982, say that they are determined to draw the line at the post office. For its part, the government of Prime Minister Brian Mulroney is already under criticism for Canada Post's cost-cutting efforts, particularly proposals to limit postal service in re-

rail areas and new suburbs. Still, it is sticking to its commitment to erase Canada Post's \$528-million operating deficit by March, 1988. Reid Consumer and Corporate Affairs Minister Herwin Andre, who is responsible for Canada Post, "We can't abandon that target."

Moreover, both sides agree that the future of the postal service is at stake—though for widely different reasons. Canada Post president Donald Lander insists that job-protection clauses in current contracts hamstringing management so badly that the corporation cannot be efficient unless they are eliminated. But McGarry and his fellow unionists contend that Lander is raising the postal service through a single-minded attack on the officers—and that he is trying to break the unions.

Canada Post has refused to divulge details of its position in the contract negotiations, which began last summer. But according to the unions, the corporation wants to introduce a two-year wage system, under which new employees would earn \$2 to \$3 an hour less than current rates. Canada Post,

they say, is also seeking the right to lay off employees and contract out their jobs to lower-paid private workers. Indeed, some leaders claim that Canada Post wants to contract out many of their members' jobs—and have protested its decision to allow a private company, Shoppers Drug Mart, to open a postal suboffice on a franchise basis in a suburban Toronto shopping centre. The Shoppers employees earn an estimated \$5.50 an hour—compared with more than \$15 for untrained postal clerks—and union officials have bitterly protested Canada Post plans to extend the system across the country.

All the postal service contracts have expired, and unionists say that they expect that one strike—waged by the latter carriers—will set the pattern for all agreements. The latter carriers, McGarry notes, have not walked out since 1968. As a result, he claims, they would generate more public support than the militant 33,000-member Canadian Union of Postal Workers (CUPW)—and Canada Post knows it. CUPW is made up of mail carriers and other inside workers who staged unpopular 48-hour strikes in 1975 and again in 1981. Said McGarry: "They did everything in their power to convince me to sit on the back step and let them take on the inside workers."

According to most union leaders, the deterioration in management-labor relations can be traced to Lander, a 41-year-old former chairman of Chrysler Canada. He is a



McGarry: a long summer

man known briefly for flamboyant automotive jobs. DeLorean. Since he was named to lead Canada Post in February 1986, Lander has been a crackling of the whip in the Tory caucus, and Lloyd Johnson, national president of the Canadian Postmasters and Associates Association, which represents the 8,500 people who run Canada's 5,300 rural postal stations. "People who supported us are backing off."

But Canada Post, and the government, remain adamant that changes must be made—and they are closely willing to accept a strike in order to accomplish their goal. In an interview last week, Andre said that the union's proposals are the result of years of concessions by previous governments. "In the past, government would avoid strikes because of the political cost of the moment," he said. "That doesn't make sense anymore."

With that kind of tough talk, both Canada Post managers and union members clearly face a long and difficult summer.

age out of hammering postal unions. It's worth 10 points to them in the polls. To counter that, the postal unions lead the charge with at least \$225,000 this year on a radio, newspaper and poster campaign that attacks Canada Post's budget-cutting moves. In return, Lander has launched his own campaign for public support. It's an uphill battle, but many he appealed to members of the National Association of Major Mail Users to support efforts to eliminate the post office's deficit. Saying that Canadians have been "held to ransom through postal strikes in the past," Lander pledged that there will be no mail delivery this summer "strike or no strike."

Opposition party members say they recognize that public discontent over postal service is politically dangerous, especially Canada Post's decision not to provide home mail delivery in new urban developments. Liberal Leader John Turner predicted to reporters in April that it would be "a major election issue" in the next federal campaign and MPs from all parties have been overwhelmed by complaints about Superboxes—the large metal lockers for mail and parcels that Canada Post now installs in new suburbs and some rural areas as a substitute for home delivery.

Even Conservatives were backed last year when Canada Post announced plans to close up to 1,700 rural post offices and have thousands more run by private contractors. A Tory-conservative parliamentary committee declared that it was "appalled by the heavy-handed approach taken by Canada Post" and suggested that it "look elsewhere for savings in its operating budget." But the government has since altered its back-slashers. "What I don't like is a cracking of the whip in the Tory caucus," said Lloyd Johnson, national president of the Canadian Postmasters and Associates Association, which represents the 8,500 people who run Canada's 5,300 rural postal stations. "People who supported us are backing off."

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Unorthodox behavior

A unemployed electrician, Lewis Mason lives in a three-room cabin on Nova Scotia's north shore. In April, 1986, four years after he and his wife were divorced—and owing \$2,000 in maintenance payments for his four children—Mason appeared before Pictou County family court Judge Robert J. White. The judge gave Mason, 44, a year to pay the debt or be jailed. Sixteen months

New Scotia family court system last January, when Judge Ragnald Bartlett was removed from the bench in Pictou for improper conduct. The allegations about White have caused new concern about the family court system. One complaint, voiced by Dalhousie University law professor Ralf Thangnon, is that the promoter's way of addressing questionable judicial conduct is "reactive" instead of preventive. "Thangnon called for a continuing evaluation of judges by their peers, a system modified on positions in other professions."



Mason awaiting a judicial investigation

later, after Mason still had not paid—he said that his unemployment insurance benefits were too low to do so—he was arrested and imprisoned. But the arrest violated Mason's right to a further court hearing to explain his delinquency. Because of White's omission, Mason's lawyer applied for and received a writ of habeas corpus, which freed him 2½ weeks later.

The Mason case is just one of five decisions by White that have been overturned by appeal courts, one of them as recently as last month. The cases led at least one appeal court judge to describe White's practices as "unorthodox." At the same time, lawyers and clients who have appeared before White and written to Chief Family Court Judge Marshall Black, describing White's behavior on the bench as harassing and insulting.

The White controversy follows closely a scandal that rocked the

White's "personal prejudices were constantly displayed before an all," wrote one, adding this "further displaced him in his propensity to actually react to clients and verbally harass them." Another lawyer wrote that White's decisions "have almost no basis in reality." Appeal courts, however, have repeatedly faulted failures to have witnesses take oaths before giving evidence.

In an interview last week, Black said that some of White's problems arose from a heavy case load. But he also acknowledged that he had cautioned White about his courtroom behavior. In a separate interview, White acknowledged that he had "out corners" in wearing in witnesses. "I had 15 minutes to do a bloody trial," he said. "It takes time to get the witnesses sworn." Since being cautioned last January, White said, he has given his cases more time.

A decision to refer questions about White to a judicial panel meets with Black. Lewis Mason, who would welcome such an investigation of White "He just sat face," said Mason.

—LESLIE E. HENNINGSON in Halifax

Death in the family

"It's like a death in your own family," said Montreal fireman Patrick O'Connell. "We're all real brothers." O'Connell was one of about 1,800 firefighters from several cities who attended a funeral procession in Montreal last week for two comrades, Jean-Pierre Legeay, 32, and Pierre Lévesque, 31, were fighting a fire at the 81-year-old Unitarian Church of Montreal when a wall fell on top of their small ladder, burying them in burning debris. Three other firemen were injured after leaping from the collapsing roof of the landmark church on downtown Sherbrooke Street. Half an hour after the blaze started, Wilhelmina Tremblay, 58, the church's organist, surrendered to Montreal police. The next day Tremblay, a professional with a history of emotional instability, pleaded not guilty to two counts of second-degree murder in Montreal's superior court.



Firemen under attack: Was a death in your own family?

A promotion for Doucet

He is one of Prime Minister Brian Mulroney's most trusted advisers—and one of the most controversial. But last March Fred Doucet was stripped of his title as senior adviser and transferred out of the Prime Minister's Office to a new position in charge of co-ordinating international seminars for Mulroney. At the time, the move was widely seen as a demotion for Doucet, who was disliked by many Conservative officials for his staff personal manner and for his antagonistic loyalty to Mulroney. But two weeks ago Doucet, 48, was quietly promoted to a new position, which a member of the PMO said will give him status equivalent to an ambassador. Although Doucet will not take on any new responsibilities, the official said that his salary will rise to a deputy minister's rate—more than \$200,000 annually. Another possible perk: a government limousine and driver.

Speaking for the leader

Liberal Leader John Turner is following Prime Minister Brian Mulroney's lead in restructuring his often-cried-of-office staff. Press secretary Denis Dussault left in April, and on June 1 Montreal lawyer Guy Savard became Turner's executive assistant. Turner has also created a new position: communications director. Heading the short list for that appointment is veteran newsman Raymond Huard. A consultant to Turner's Global Communications Inc., Huard, 53, left his job as Global's vice-president of news and current affairs last fall. At the time, he was involved in an unsuccessful

attempt to establish a second English-language daily newspaper in Montreal. South African-born Huard has known Turner since 1968, when the Liberal leader was a rising Montreal star. Said Huard: "I think John could make a good prime minister. He and I talk the same language."

Too little, too late

Stung by criticism of its sweeping new labor legislation, British Columbia's Social Credit government last week announced a major overhaul of the bill. The 46 amendments would affect almost half of the 75 sections of Bill 19, which gives the government wide powers to end strikes or lockouts. But the changes fell far short of satisfying the province's labor movement. After a four-hour

meeting of its executive council, the 250,000-member B.C. Federation of Labour announced that it would stage a one-day general strike this week to protest the legislation. Jack Gervé, business manager of the Hospital Employees' Union, said that the basic thrust of the bill remained the same—despite the government's decision to reduce the powers of a new industrial relations commissioner. Premier William Vander Zalm appealed to the federation to call off the "illegal" strike, but union leaders said that only withdrawal of Bill 19 would make them change their plans.

Raising the stakes

It would be their first raise in 65 years. As a result of new copyright legislation tabled in the House of Commons last week, Canadian songwriters will likely earn between five and 10 cents for each song sold—at least three cents more than they collect under the current law, which dates back to 1924. The proposed law will permit them to bargain with record producers for higher royalties, allow writers to demand compensation for photocopies of their work, and for the first time extend copyright protection to computer software. The bill also sets higher penalties for violating copyright, raising the maximum fine of \$250 to \$1 million in fees and five years in jail. Copyright activists Minister Flavia Macdonald defended action on one of the most controversial aspects of copyright reform: compensating artists for home taping of records or films. But many Canadian artists hailed the reforms, calling them long overdue.



Huard: speaking the same language

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1. Euro-style wheel covers/hollow headlights. 2. Remote trunk release. 3. 4-speed automatic transmission with overdrive. 4. 1.6 litre 1600 cc engine. 5. Power windows. 6. Power door lock. 7. 1.6 litre 1600 cc engine. 8. 4-door. 9. 1.6 litre 1600 cc engine. 10. 4-door. 11. 1.6 litre 1600 cc engine. 12. 4-door. 13. 1.6 litre 1600 cc engine. 14. 4-door. 15. 1.6 litre 1600 cc engine. 16. 4-door. 17. 1.6 litre 1600 cc engine. 18. 4-door. 19. 1.6 litre 1600 cc engine. 20. 4-door. 21. 1.6 litre 1600 cc engine. 22. 4-door. 23. 1.6 litre 1600 cc engine. 24. 4-door. 25. 1.6 litre 1600 cc engine. 26. 4-door. 27. 1.6 litre 1600 cc engine. 28. 4-door. 29. 1.6 litre 1600 cc engine. 30. 4-door. 31. 1.6 litre 1600 cc engine. 32. 4-door. 33. 1.6 litre 1600 cc engine. 34. 4-door. 35. 1.6 litre 1600 cc engine. 36. 4-door. 37. 1.6 litre 1600 cc engine. 38. 4-door. 39. 1.6 litre 1600 cc engine. 40. 4-door. 41. 1.6 litre 1600 cc engine. 42. 4-door. 43. 1.6 litre 1600 cc engine. 44. 4-door. 45. 1.6 litre 1600 cc engine. 46. 4-door. 47. 1.6 litre 1600 cc engine. 48. 4-door. 49. 1.6 litre 1600 cc engine. 50. 4-door. 51. 1.6 litre 1600 cc engine. 52. 4-door. 53. 1.6 litre 1600 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New rules for war



Parading IA missiles in West Germany, Kohl (below). The shorter the range, the deadlier the Germans'

His critics call him the "do-nothing chancellier" and claim that he tends to ignore problems in the hope that they will eventually go away. But brawny, six-foot, fair-skinned Helmut Kohl was expected to take firm action this week and announce to West Germany's parliament, the Bundestag, a difficult decision on missile cuts in Europe. Kohl's aides declared last week that because of intense pressure from his Western partners, his own foreign minister and a significant segment of West German public opinion, he was reluctant to accept a Soviet offer to eliminate both intermediate- and short-range nuclear missiles in Europe.

Indeed, NATO defense ministers meeting in Brussels last week seemed to credit that Bonn would accept the so-called double-zero option that, instead of discarding nuclear missiles, they decided on what would be needed after the Korneinshel had gone. A buildup of conventional forces to counter Soviet nuclear superiority in tanks, artillery, manpower and chemical weapons. Still, in agreeing to the U.S.-Soviet drive to scrap all European nuclear missiles with ranges between 300 and 3,000 miles, Kohl was expected to lay down a potentially obstructive condition. His defense minister, Manfred Wörner, said

that Kohl would insist on retaining West Germany's T2 short-range Pershing IA missiles, which can travel up to 400 miles and whose warheads are under strict U.S. control. In the past the Soviet Union has insisted that the Pershings be withdrawn along with other short-range systems.

Observers said that Kohl's insistence on retaining the Pershings was a concession to hard-liners in his own conservative Christian Democratic Union (CDU) and to such leading figures in the western military establishment as retiring NATO commander Gen. Bernard Rogers. Warned one Brussels-based defense analyst that work "The German demand could be a spoiler if they push it to the left." But Maj. Robert Elliot, disarmament specialist at the London-based International Institute for Strategic Studies, said he expected that the Kohl cabinet would "drop from sight" when West Germans became convinced that the United States would provide adequate nuclear protection after the missiles go.

outstanding pressure to reach an agreement that led Kohl to lift his objection to a missile deal. Since Gorbachev's offer in mid-April to expand an intermediate nuclear missile pact to include short-range weapons, Foreign Minister Hans Dietrich Genscher and

his liberal Free Democratic Party—junior partners in the Bonn coalition—had once again strongly in favor. The majority CDU had argued forcefully against, but opinion polls showed that between 65 and 70 per cent of Germans favor any agreement reducing nuclear weapons in Germany.

Also, as other European members of NATO came around to the double-zero option, Bonn began to feel increasingly isolated. But a senior NATO diplomat who watched the German position unfold emphatically denied last week that Bonn was forced into its decision by the impotence of fellow Europeans or by Washington's desire to come to agreement in time to give Reagan his missile summit with Gorbachev this year. "In fact," said the official, "the allies were very patient, since it was realized that Germany's geographical position made it the country most exposed to the risks of a short-range second."

German objections were that the elimination of all missiles with a range of more than 300 miles would leave West Germany exposed to superior Soviet conventional weapons and subject to Soviet blackmail. Wörner, said German scientists, the only nuclear weapons to remain in Europe after the disappearance of medium- and short-range rockets would be battlefield systems capable of hitting German cities. Wörner, an arms control adviser to Kohl, summed up German feelings with the laconic line, "The shorter the range, the deadlier the Germans."

Defense experts said last week that with Germany's acceptance of the double-zero option, U.S. and Soviet negotiators in Geneva could assemble a draft outline deal by midsummer. In time to have a final treaty ratified during Reagan's term. But that will only be possible if Germany's Pershing IA demand does not interfere. Still, Germany's grudging acceptance has produced mixed feelings in NATO. Said one Canadian diplomat in Brussels: "Many in the alliance have identified with the Germans in wondering whether NATO has looked carefully enough at this. There is a lingering fear we may be trading away our finest armor—NATO's doctrine of flexible response—for a big question mark."

Another problem, according to defense experts, is that advanced conventional hardware costs far more than nuclear missiles. Said one diplomat: "When governments are concerned and the taxpayer wakes up in the price compared with the nuclear systems NATO has scrapped, they may well wonder in horror, 'What have we done?'"

—PETER LEWIS in Brussels

THE UNITED STATES

The ambassador's tale

For Ambassador Allan Gotlieb, the concrete pillars of the new Canadian Embassy in Ottawa, on Washington's Pennsylvania Avenue, are a symbol of the country's close relationship with the United States. But this week, in the U.S. federal district courthouse next door to that construction site, Gotlieb knew it is at the center of a bitter cross-border dispute that could

reopen investigation into his activities last year. In March a federal grand jury indicted him on five counts of perjury. Among the charges: failing to report six meetings on acid rain while he was still in the White House. Key information behind that charge came from written answers that Gotlieb supplied to Seymour on Feb. 18 and 24 last week. A Federal Bureau of Investigation agent appeared at the embassy to subpoena Gotlieb and his controversial writer wife, Sandra, to testify at Denver's trial.

After a senior Canadian official refused the subpoena, the subpoena, claiming that they violated the ambassador's diplomatic immunity, Seymour filed a 10-page court motion arguing that the ambassador had already waived immunity by replying to Seymour's questions in writing.

The state department's legal counsel has supported Canada's claims. But Seymour accused the Canadian government of "trying to get itself in a position where it can tell Ottawa in Canada that it has co-operated fully with our investigation, while it has actually taken a position to block the presentation of Denver." In the House of Commons, Liberal MP John Munro agreed, claiming that Clark had refused to allow the ambassador to testify before a Commons committee because "the Canadian government still had charged Mr. Gotlieb in the breach of American law."

The incident is clearly a new embarrassment for Gotlieb. His policy of intensifying Canada's press and moral pressure in Washington first brought controversy last year when his wife was headlines for suggesting her official secretary in public. But it may help delay the trial of Denver—only a year ago he led as the country's most powerful lobbyist—whose \$2.6-million business is now in ruins. Last month Denver's lawyers indicated that he might claim he failed to recall certain meetings on acid rain because his mental state was impaired by his use of prescription drugs and by a drinking problem. Indeed, Denver's friends say that he has been battling alcoholism for at least three years, including the period when Ottawa lived him as its main lobbyist in Washington.

—MARK MCNEIL in Washington with JELLY MACKENZIE in Ottawa



Gotlieb at the centre of a cross-border dispute

have damaging implications for Canada's interests in Washington. At issue is whether Gotlieb's diplomatic immunity was intact when he testified in the perjury trial of former White House aide Michael Denver. Denver is charged with lying about his role in the appointment of acid-rain experts during the March, 1986, Shennock Summit in Quebec City between President Ronald Reagan and Prime Minister Brian Mulroney. Last week special prosecutor Whitney North Seymour filed a court motion seeking the Canadian government of "disposition befitting" and External Affairs Minister Joe Clark to train criticized Seymour for "irresponsible" charges.

Denver's involvement in naming the acid-rain experts just two months before he left the White House to become a lobbyist with a \$125,000-a-year contract from Canada—led to a congressional

Security on trial

For the Israeli security services, the secretive organizations once celebrated by CIA chief Allen Dulles as "among the world's best," it was a long and painful week in the public spotlight. First, the Supreme Court cleared 32-year-old Itzhak Nagev of treason and espionage charges for which he had already served more than seven years in prison. The court designated Shmuel Beit, the internal security arm, for forcing a confession

including then-chief Avraham Shalom, President Chaim Herzog pardoned them. The Nagev case seemed to confirm that the treatment of the witness was not an isolated occurrence. Herzog called the Nagev incident an "unpardonable wrong," and Prime Minister Yitzhak Rabin, a staunch supporter of the security services, appointed a committee to investigate Shmuel Beit's methods.

Nagev's troubles date back to the



Nagev after his release: a badly tarnished image for Israel's once-sterling security services

using methods that bordered on torture. Two days later, two Israeli government reporters into the Washington Post and the Washington Post measured Israeli operatives for recruiting the former U.S. spy intelligence analyst to sell them secret American military documents. The panels, however, did not lay direct blame on Israel's political leaders. And although U.S. officials say that they will likely file the Pollard issue drag, one White House source discussed the reports as "something of a whitewash."

It was the Nagev affair that created the greatest stir in Israel. The scandal was the second to shake Shmuel Beit in the past year. Last summer Israeli newspapers alleged that Shmuel Beit agents had beaten two captured Palestinian bus hijackers to death in 1984, then concealed the incident. But before coverage charges could be brought against 11 Shmuel Beit agents,

late 1979, when he served as an army lieutenant in southern Lebanon. In 1980 a military court convicted Nagev, a member of Israel's non-Arab Circassian minority, of giving arms and information to Palestinians, and it sentenced him to 16 years. But under a new Israeli law, he appealed the verdict to the civilian Supreme Court. As Nagev told it, interrogators made him stand outdoors in winter weather, gave him cold showers, stripped him and knocked him down. "All this went on day after day, hour after hour, without letup," Nagev said. "You had no right to speak and there was terrible pressure to tell, tell, tell—and you had nothing to tell."

The Supreme Court agreed that Nagev had been framed, although it upheld a lesser charge of failing to report two meetings with a Palestinian terrorist leader. He was immediately released, and through supporters carried him off. But the

case's repercussions continued to ripple. Shmuel Beit officers, while confirming Nagev's account of his interrogations, compounded their problems by conceding that they had done nothing unusual in the Nagev case. They argued that their methods were indisputably successful in combating terrorism. The officer in charge of Nagev's interrogations, identified by his code name, Pashesh, said occasionally to an Israeli newspaper, "Do they want to invite [the terrorists] in, offer them coffee, ask them how much sugar they want and wait for them to confess?" Some observers said that the Nagev affair could provoke a

spate of appeals by imprisoned Palestinians claiming that their confessions were also extracted by force.

The Pollard inquiries struck a softer blow against the security services. The reports, one by a cabinet-appointed panel and the other by a parliamentary intelligence subcommittee, had substantial blame on Rafael Eitan, former head of the defense ministry's bureau of scientific affairs. But neither report called for further punishment of Eitan, who was removed from his post in January, 1988, but promptly appointed chairman of state-owned Israel Chromedia. The panels also concluded that Israeli political leaders had no direct knowledge of the Pollard operation. They did say, however, that the two leaders of the coalition government, Rabin and Foreign Minister Shimon Peres—as well as Defense Minister Yitzhak Rabin and former defense minister Moshe Arens—bore ministerial responsibility.

The case of Pollard, who was sentenced in March to life in prison, clearly angered U.S. officials. At the same time, U.S. Ambassador Thomas Pickering recently voiced rare U.S. criticism of Israel's internal security procedures, particularly its treatment of West Bank Palestinians. "The United States," said Pickering, "has made it clear it remains deeply opposed to the use of deportations, to administrative detention and to the destruction and sealing of houses." That statement struck at the heart of the sort of overzealous security work that surfaced in the Nagev case. And it seemed to be further evidence that the security services' once-sterling reputation had been badly tarnished.

—BOB LEVIN with DAVID SELZER in Jerusalem and WILLIAM LUTHER in Washington

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The Krenitz: a West German pilot's comic adventure rises some serious risks

THE SOVIET UNION

Destination Red Square

As the centre of Soviet power and prestige, Moscow is guarded from aerial attack by an awesome array of high-tech defenses, and is the only city in the world with an operational anti-ballistic missile system. So confident are the Soviets of the effectiveness of their capital's defenses that two years ago the Communist Party newspaper *Pravda* claimed that they could destroy any target at any level, at any time of day or night. As a result, Moscow officials expressed shock last week when a single-engine Cessna aircraft suddenly appeared over the Kremlin, circled three times, skinned the roof of the famous GUM department store and landed in Red Square.

At first, a crowd of curious onlookers seemed to believe that someone was making a movie—particularly when the amateur pilot, 40-year-old West German Matthias Raut, waved as he climbed out of the plane and began signing autographs. John Butler, a 21-year-old British man, who watched the incident, said, "It took police some time to realize that this was not officially organized."

When they did, they took Raut into custody to be interrogated about how and why he had slipped through Moscow's sophisticated defenses. Then, on Sunday, the rising Soviet Politburo fired Defense Minister Sergei Sokolov for "negligence" in the affair. The Politburo also removed the commander of the air defense forces, Air Cmdr Marshal Alexander Koldanov. Said one western analyst in Moscow: "The infil-

tration for Soviet defenses, and for the whole debate on how a war could start by mistake, are astounding."

Raut took off in the rented plane from a suburban Hamburg airport on May 13, making several stops before arriving in Finland. He left Helsinki on May 16, giving his destination as Stockholm. But he suddenly veered east toward the Soviet Union, crashing from Finnish radar screens on the 600-mile flight to Moscow. Defense experts said that he had almost certainly flown extremely low to avoid Soviet radar.

There was no immediate explanation for Raut's journey. Some experts said that the Cessna's unannounced controls could have caused a navigational error, but other observers claimed that the plane had to have been deliberate. The pilot's mother, Monika Raut, described him as "a quiet young man with a passion for flying" who hoped one day to become a professional pilot. She added that she was not aware of any political motives that he might have.

Whatever the case, Raut left red-faced Soviet authorities searching for the holes in their defenses—and US experts in a jolting mood. "Perhaps," said Stephen Gizon, senior research analyst for the Washington-based Center for Defense Information, "the United States should stop buying Stukin and B-1 bombers and instead get a whole bunch of Cessnas. It would certainly be cheaper."

—BOB LEVIN with IAN ALSTON in Washington and correspondence reports

CUBA

A flight to freedom

For Rafael del Pino Díaz and his family, it was a well-planned flight to freedom. For the United States, it was an unexpected intelligence coup. Last week del Pino, the deputy chief of staff of the Cuban armed forces, flew a twin-engine Cessna from Havana to the Key West Naval Air Station in Boca Chico Key, Fla., where he and his wife and three children requested political asylum. The surprise defection was celebrated in Washington. Said state department spokesman Charles Robinson: "As a senior military official with experience reaching back over many years in several areas of Cuban activity, he is obviously in command of significant military and political information."

Del Pino was indeed an intelligence windfall. During the revolution that brought Fidel Castro to power in 1959, he fought alongside him in the Sierra Maestra mountains. In 1961 he was a hero of the Bay of Pigs battle when Cuba defeated a US-backed invasion force, and later he served with Cuban forces supporting the Marxist government in Angola. But despite del Pino's record and recent promises to deputy chief, Frank Cullen, executive director of the Washington-based, anti-Castro Cuban-American National Foundation, said last week, "Speculation is that del Pino might have been part of a group that was using refugees in Cuba."

Del Pino's defection was only the second time in two decades that a Cuban official had fled to the United States. In 1969 Cuban Air Force Lt. Eduardo Gauria Jentzen flew a MIG-17 jet fighter to an air force base near Miami. The year later he hijacked a Delta Air Lines jet to return to Havana. News of del Pino's arrival on May 26 caused jubilation in the Cuban exile community in Miami. Juan Werra Franco, head of the Association of Bay of Pigs Veterans, declared, "This is the first evidence of a serious crisis in Castro's regime."

But most observers discounted the likelihood of any major problem in the Castro government. Indeed, like the week before del Pino, the general's second cousin, expressed skepticism about his flight. Said Douglas: "He was friends with Fidel until this minute. I don't want to talk to him." But del Pino had no close relatives. At week's end he and his family flew to a secret location for a debriefing by US officials who hope to learn more about Cuba's defense plans from their prize catch. □

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Profits in health care

Pink wicker chairs and Chinese lacquer cabinets line the narrow hallways. The suites are decorated in muted pastel reminiscent of the popular television show *Murder, She Wrote*. Indeed, the retirement home in downtown Toronto, a division of the North American Central Park Lodges chain, looks in many ways like a luxury hotel. But for the 116 residents, who pay between \$1,600 and \$2,300 a month for a private room, laundry service and three meals a day, the décor is a vital part of their healthier lifestyle. Currency being requested at a cost of \$400,000, the Spadina Avenue lodge is typical of the strategy of the chain's owner, Calgary-based Thrust Corp. Ltd., to attract a more active, more affluent clientele from the burgeoning senior of Canada's senior citizens. And it symbolizes a rapidly growing interest in the business of caring for the elderly. Says Ira Kaitin, an analyst at Toronto-based Prudential-Bache Securities Canada Ltd. "Companies realize that there will be a significant market out there."

There are currently 2.7 million Canadians aged 65 and over, and Statistics Canada predicts that the number will increase to four million by the year 2000. The potential for serving that market has led several large conglomerates interested in the health-care industry to buy out small nursing and retirement home operators in both Canada and the United States. Other entrepreneurs are establishing walk-in clinics in shopping centres throughout the country to provide on-the-spot medical and dental care. Many of the large companies focusing on the business of health and retirement already have interests in other, profitable, and a lucrative market of aging but prosperous and health-conscious customers. Financial companies that sell trust, insurance and investment services have targeted the needs of the elderly as a compatible growth industry for their existing services. A well-known of those Canadian companies are focusing their expansion away from the highly regulated health-care industry in Canada and into the less restrictive United States.

Truist, a real estate company with 77% of its income in Canadian and U.S. as-

sets, is among the heaviest investors in the health market. The company entered the retirement-home business in 1989, when it purchased the 17-house Central Park Lodge chain. Last year Truist was one of several Canadian companies to penetrate the U.S. market when it purchased eight Florida-



Lady: the piece will always be full

based retirement and nursing homes for \$81 million. The retirement business added \$110 million to Truist's revenue last year, and company officials estimate that revenue will rise to \$160 million in 1993. Says William Jappe, president of Central Park Lodges: "A lot of people can afford to pay \$2,000 to \$2,300 a month for a retirement facility."

Certainly, an elderly population is not necessarily an unhealthy one. Numerous privately operated retirement homes have surfaced across the country, serving the elderly who do not require medical attention but want a communal atmosphere. One major participant in that field is the London-

Life Insurance Co. of London, Ont., which is part of Trifon Financial Corp., a Toronto-based trust, investment and insurance conglomerate. In March, London Life purchased a 50-per-cent interest for \$4.2 million in a Vancouver-based company which currently has one retirement complex under construction and plans to build 14 more over the next five years—including one in the United States. Says Charles Kimball, London Life's vice-president of group insurance: "We see a growing market for seniors."

But strict government regulations have made it difficult for some companies to expand in Canada. Both private and public nursing homes receive government subsidies totaling \$40.38 a day for each of their residents, regardless of the services provided. In Ontario, the provincial government contributes \$38 in subsidies, and the remaining \$2.38 is paid by the resident. Other provinces have similar arrangements. Of Ontario's 39,976 licensed beds, the private sector accounts for 25,071, while \$99 are operated by such nonprofit organizations as municipal clinics, hospitals and charitable institutions.

Last week the Ontario government passed an amendment to the Nursing Homes Act that requires all privately held nursing homes to provide an annual financial statement. An official financial statement of the

in the health ministry said that the changes simply make privately operated nursing homes financially responsible for their own cost of services. But industry spokesmen say that they detected other motivations. Says Harvey Nightingale, president of the Ontario Nursing Home Association, representing 360 nursing homes: "The regulation implies that somehow they don't trust us."

Indeed, many Canadian operators are turning to the less regulated market in the United States. Toronto-based financial conglomerate Crowsin Inc., for one, provided part of a Canadian share of investment, amounting to \$125 million, in U.S. health-related businesses in the

past six months. Through its nursing-home subsidiary, Extended Health Services Inc., the company paid \$90 million for seven nursing homes in Washington state, increasing its U.S. presence to 140 homes. The company, which has 5,000 licensed nursing beds both in Ontario alone, is the fourth-largest operator of nursing-home centres in North America.

Other firms, such as First Post Footcare Inc., a Toronto-based footwear chain, are also expanding. Indeed, Charles G. Black, vice-president for insurance operations of the 180-member Canadian Life and Health Insurance Association, says that overage services is one way large conglomerates are out there. As well, Black said that insurance companies can effectively manage health-care companies because they can use information gained from their experience in the life insurance industry. Says Black: "The driving force is the rising cost of health care."

Indeed, the increasing costs of health-care services have sparked a debate among practitioners, governments and the public as to the role of the private sector. While most Canadians support state-funded social welfare, many oppose tax increases to fund the expanding need for services. At the same time, there is widespread criticism when governments curtail health services to pay down their budgets. As a result, many cash-rich companies are faced with the dilemma of operating within a system that is tightly regulated by governments. Says Central Park Lodges' Jappe: "Private enterprise-based health care is accepted in the United States. You do not have the desire for [private care] that you do in Canada."

But critics of private enterprise operators question their claim that the business is over-regulated and underfunded. Says David Cooke, the Ontario New Democratic Party's health critic: "It is so unpredictable, why are these companies grabbing at the beds?" Others have expressed concern about the ethics of profit-motivated companies attempting to deliver care in the provision of health care, particularly for the elderly.

For his part, Extended's Lady says that as the population continues to age and the burden on the public health care system grows, provincial governments will eventually turn to the private sector to provide some of the services. That will create even more business opportunities—but only if governments are willing to transfer some of the control as well. But Crowsin, the proponent of health care services will be a lot of faith—and profit, thus many Canadian companies will be diverting large funds into acquisitions south of the border.

—THERESA TREHARNE with ANN WALSHLEY in Toronto



Therapy at a First Post Footcare outlet: an aging population and more private-sector service

A strong U.S. presence has contributed to Extended's financial health, accounting for more than 60 per cent of the company's annual revenues. The company posted a 20.6-per-cent increase in revenues for the first quarter of 1992 over the same period last year. Says Extended's president, Frederick Lady: "The demographics assure that the piece will always be full."

But some of the fastest-growing businesses are franchised storefront health centres. Last year Toronto-based Trifon Health Care Inc. opened 23 dental centres, bringing the total to 98. As well, it operates 88 multidisciplinary health-care centres, five chiropractic clinics, 18 optical outlets and one pod-

iatry clinic. Each is sports-oriented but prone to injuries. Says Brian Price, Trifon's central president and chief executive officer: "It's not a marketplace we can ignore."

Price said that the company is also considering using its clinics to offer a range of medical services to nursing homes. For its part, London Life's Kimball said that his company plans to launch similar storefront businesses, including pharmacology, optical care and nursing assistance operations.

Some industry analysts say that the larger companies are attracted to the health-care industry in part by the captive market that the residents in the

The banks get tough

In a televised address last February Brazilian President José Sarney declared, "We are not going to pay the debt with the hunger of the people." With that, he suddenly suspended interest payments on \$50.4 billion owed by Brazil to foreign banks. Last week the impact of Brazil's decision crystallized in Canada when four of the six largest chartered banks released second-quarter results. In a mere 13 weeks they lost a total of \$80 million in interest income owed by Brazilian borrowers, and two of the four banks reported lower profits than during the second quarter of 1985.

But the most dramatic response to the Brazilian moratorium came from New York-based Citicorp. Until America's largest bank, Citicorp added a whopping \$4 billion to its reserves against bad loans to developing countries, and that produced a alarming \$3.4-billion loss for the second quarter. In taking the action, Citicorp became the first major American bank to publicly admit that it may never recover all of its loans to the developing world. And Citicorp spokesman John Maloney said "This will never appear to be a credit-worthy loan."

The Citicorp move clearly indicated the bank was rejecting past industry practice of piling new loans on top of old debt in the hope that debtor nations would somehow repay it later. Instead, the huge bank wrote assets of \$35.5 billion in 1986, was in effect absorbing a heavy loss. By week's end, other U.S. banks were falling into line. Chase Manhattan Corp. of New York and Norwest Corp. of Minneapolis strengthened and improved their loan-loss provisions by a collective \$2.4 billion.

Until Citicorp's move, the U.S. banks had not followed their Canadian, European and Japanese counterparts in setting aside ever larger reserves against developing-world loans. But Citicorp has jumped ahead of other American institutions by boosting its reserves to \$2.6 billion against troublesome loans total-

ing \$20 billion, including \$6.2 billion to Brazil.

As a result, said John McDonald, senior financial analyst with Moss Landon and Co. Ltd. in Toronto, Citicorp will now be better able to resist demands for concessions such as lower interest rates and longer repayment periods. While the Brazilian government shrugged off the Citicorp move



last week, some officials had previously threatened to expand the interest moratorium to \$54 billion lost by international financial agencies such as the International Monetary Fund.

Perkins: 'negotiable, not President'



Canada's chartered banks have lost an estimated \$75 billion to financially struggling Latin American and Caribbean nations, \$1.7 billion of that to Brazil. Since late 1984, they have steadily increased loan-loss provisions, according to guidelines imposed by the Federal Inspector General of Banks. Now, said research director Ian Brown, Canadian bank reserves currently ranging from 30 per cent to 35 per cent of the total value of loans to developing countries are being increased to 50 per cent by 1986.

But some observers say that the debt crisis could still seriously harm the Canadian banks. Terry Sheahan, bank analyst with Merrill Lynch Canada Inc., said that most of the borrower nations have given up on repaying their debts and now cannot even pay interest.

The current international debt crisis is a legacy of the oil price shocks of 1973 and 1979, which transferred vast wealth to petroleum-exporting nations. Their petrodollars were deposited with western banks, which then freely loaned the money to Latin America, Caribbean, Asian and African countries.

Third World loans had reached an estimated \$1.4 trillion by the end of 1985, and 47 countries, owing \$765 billion, were trying to renegotiate their debts. The largest of the debtors was Brazil, with total borrowings of \$164 billion, and Sarney's statement in February suddenly heightened the crisis.

Brazilian officials, including the new finance minister Luiz Carlos Bresser Pereira, have hinted that the debt moratorium will last at least until the end of the year. Just prior to his appointment Pereira wrote in a newspaper article, "To negotiate we must not put our negative arguments such as threatening to continue with the interest payment suspension." But until interest payments resume, the largest of the six Canadian chartered banks are losing as much as \$12 million per month in revenue from Brazil, and their chances of ever recovering the money are clearly diminishing.

PETER PERKINS with RICHARD BROWN in New York and LARRY BLACK in New York

Showdown in Venice

The deep and crippling recession of 1980-1982 casts a long shadow. And last week economic planners looking back over five years of economic recession saw the signs of its return. Some forecasters said that they expect the economies of the major industrial countries to grow by barely two per cent this year.

At the same time, both inflation and interest rates are creeping up in the United States, aggravating a worldwide debt crisis. When Prime Minister Brian Mulroney and the other leaders of the world's seven main industrial countries meet in Venice next week, they will attempt to guide the world's economy into another round of growth. Their challenge, in the face of a potential new recession, is to reach a firm agreement on world currency rates and on the means to expand the Japanese and German economies while reducing the enormous American budget deficit.

Curing the world economy of what Japanese Foreign Minister Toshiki Kaikawa called its "deeply rooted disease" will dominate the summit agenda. But Canadian officials said that Mulroney also wanted to demand that the European Community and the United States dramatically reduce agricultural subsidies. The subsidies, on a wide variety of products, have fuelled a destructive battle for markets and driven some commodity prices to record lows. But last week Italian Prime Minister Bettino Craxi told Mulroney during a pre-summit meeting in Ottawa that a permanent solution to subsidies would have to await negotiations on the General Agreement on Tariffs and Trade (GATT).

But the world's money and securities traders were looking to the June 8 to 10 summit for a resolution of a month-long debate over the value of the U.S. dollar and other leading currencies. To that end, the leaders will try to agree on ways of managing currency rates so that they will help to correct the U.S. balance-of-trade deficit, which is creating growing protectionist sentiment in Washington. Carl Sagan, for one, the chief economist for Toronto-based Dominion Securities Inc., said that after re-

peated meetings by the world's five major industrial nations since September, 1985, the issue had now become a matter to be settled by Japan and the U.S. alone.



Mulroney with Nakasone, Japanese, during the world summit

United States. Indeed, he said that the two nations may have already worked out an agreement to finally stabilize the floating greenback, and that the pact may be presented for ratification at the summit. Added Sagan, "I think we will see the Japanese reduce their interest rates slightly and the Americans increase theirs. That could stabilize the U.S. dollar."

But other analysts said that the world economy needs much stronger stimulants than currency-rate adjustments to prevent another crippling recession. Only a deep reduction in the U.S. def-

icit, they claimed, will stabilize both interest rates and the U.S. dollar. President Ronald Reagan is expected to ask the Japanese and West Germans to fund their own economies—something that the governments of both countries have been reluctant to do. Said one U.S. official in Ottawa, "We carried the world."

That's how we generated these deficits." Now, he added, Japan and Germany, both with healthy trade surpluses, will have to assume their share of the burden.

Last week the Japanese government appeared to be willing to do just that. It announced tax reductions and a spending program worth \$50 billion. It includes public spending worth \$17 billion and tax reductions amounting to another \$33 billion. Foreign Minister Kaikawa said that it is now time for the United States to slash its domestic deficit and for West Germany to stimulate its economy.

The world's debtor nations, particularly in Latin America, were also looking to the summit to produce an agreement that will keep interest rates low. The debt problem has been on summit agendas since the Mexican government threatened to stop paying off its loans in 1982. But last week several major U.S. banks, including Citicorp of New York, the largest, made preparations to accept losses on outstanding loans rather than extending to refinance the national debt of developing nations. Senator William Proxmire, chairman of the U.S. Senate banking committee, said that nations will do whatever it takes to prevent new loans to the developing world. It was further evidence of what Japan's Kaikawa called the "grim world of economic disaster that the summit meeting takes place in."



TOM FROWELL with BRIAN MULRONEY in Ottawa and IAN AUSTIN in Washington



HOLLYWOOD HITS 100

Hollywood, the name is immeasurably larger than the place. It conjures up a wide-screen sky cobbled by searchlights, lines of white limousines stretching into a world with no horizon. Hollywood's physical existence—one patch in the Los Angeles urban quilt—is spelled out by 60-foot letters mounted on a hillside. But in the end it remains a mythical realm, as elusive as Aladdin's cave, defying the muckrakers of those who would pin it. The first who tried was Harry Wilson, a real estate agent and prohibitionist from Kansas who, on Feb. 1, 1897, subdivided a 120-acre tract of estates shaded (and covering) the estate of what is now Hollywood. This Hollywood celebrates its official anniversary. Wilson's wife, David, christened Hollywood, borrowing the name from a

friend's Chicago country home. The hilly bush does not even grow in Southern California—making the name a fitting anomaly for a place devoted to the artificial cultivation of dreams.

Gracie Like nearly everything else in Time/Weekend, the ceremony has been largely fabricated. Hollywood's first movie studio did not open until 1911. But in a town that thrives on celebrating itself, that rarely interferes with legend. The extraordinary celebration, which began in February, resumes this week with a series of celebrity lunches, polo matches, a Hollywood 100 Pre-Gallery "Beats Classic" and a ceremony naming Bob Hope Hollywood's citizen of the century.

While Hollywood looks in its myth of immortality, a movie industry that has long outgrown the town's geo-

graphic boundaries is facing a mid-life crisis. Sidney Sheinberg, president of the huge conglomerate, tells *Time*, which publishes Universal Pictures, told Warner's "We're not convinced that this town—in the metaphorical sense—can adjust to the world of the future. There's a premise that somehow we don't have to compete with the real world. That is ridiculous."

Hollywood's grandeur has faded considerably since its golden age, when a few dozen white houses ruled the silver screen. Huge conglomerates have swallowed the major studios, and pin-striped liveries have replaced cucumber dispos. The new executive breed despises obsessive concern for working. While they continue to gamble huge sums on movies tailor-made for established stars, they are

reluctant to take their own artistic risks, choosing instead to act as bankers and distributors for more adventurous independent producers. Meanwhile, the independents routinely defy Hollywood's conventional wisdom by shaping that movies do not require a budget rivaling the cost of a small Third World country to conquer the box office. The Oscar-winning *Pulp Fiction*, which has grossed \$14 million, was independently produced last year for just \$8 million.

Supersuits: Still, through their financial clout, the major studios—Universal, Paramount, Columbia, Warner Brothers, Orion and Fox—remain the superpowers of cinema. Expanding their reach through the expanding web of TV technology, the studios remain one of the most pervasive forces in Western culture, sending Hollywood's images in

screens large and small from the Arctic to the Amazon. Even when a foreign export like Australia's *Crocodile Dundee* seduces a Canadian audience, it is a Hollywood distributor who has divided the cuts, and who reaps the box-office rewards.

Hollywood's economic influence extends beyond the screen to mass-market aspects of records, tapes, books, clothes, magazines and toys. But the big-budget motion picture remains its most glamorous product. And the typical studio executive still clings to a stubborn faith in high-priced productions, although they are becoming increasingly uneconomical. Columbia's \$50-million comedy starring Warren Beatty and Dustin Hoffman, has inspired such headlines as "Ishtar Ishtar" with its lame performance at the box office.

Budgets: In fact, more than half the budget was spent off the set—\$15 million on salaries for director Elaine May and her two stars, and \$14 million on promotions. Despite that, *Ishtar* grossed a modest \$5.8 million in its opening weekend (and much—just ahead of *The Gable*, a \$5.5-million box office flop)—and shot in Toronto.

One reason that *Ishtar*'s box office may have failed to deliver

their box-office potential is that their production is spending less than going to movies. The proliferation of television and home video has cut into the traditional theatre audience, where the youth market now rules—the type of moviegoers who helped *Beverly Hills Cop II*

Garth Drabinsky, the Toronto-based president of the Chaplin (Orion Corp.) theatre chain, predicts that 1997's box-office grosses will surge past the \$2.5-billion record set in 1986. And most producers are now reaping as much revenue from TV and video cassette sales as from theatrical showings. Said Drabinsky: "The industry is in very healthy shape. It has weathered this down-and-gloom recession the experience of video has only served to facilitate production."

The secret to Hollywood's survival is its capacity to control new technology—and talent. "Every film-maker in the world is curious about Hollywood," says Montreal director Denis Arnaud. "It's full of people making deals, with their attitude ones full of concepts. At my hotel the answering pool was surrounded by the new, sitting by their phones."



Elizabeth Taylor: the artificial cultivation of dreams

gross \$50 million in its first week. Attendance in North American movie theatres now averages 22 million a week, compared with a peak of nearly 96 million in 1946. Yet the movie business is more profitable than ever.

Paramount hired script doctor David Ogden (Allen) to rewrite the Quebec *Ishtar* script for an American remake. Hollywood, explains Arnaud, "has an enormous capacity to absorb everything."

Immortality: From its early days, the town has attracted outsiders like a magnet. The pioneers of its movie industry included immigrants such as Britain's Charlie Chaplin and Hungary's Adolph Zukor. In the 1890s about a third of its directors were foreign-born, and some key figures hailed from Canada (page 38). Hollywood's glamour gave rise to a new world. Yiddish-born Yip Harek and husband Douglas Fairbanks visited Moscow in 1925, a million people flocked out to greet them. And at home, developers erected monuments of imperial grandeur along Hollywood Boulevard. Missing ancient monuments, they constructed the town's Egyptian temples and Egyptian theatres. The opening subtitle of the 1928 film



Murphy: re-inventing the world in Hollywood's image

The Last Command summed up the town's obsession with celebrity immortality. Hollywood, the magic empire of the twentieth century. The nexus of the world?

Meanwhile, the studio bosses ran the movie industry like born-again parashuts. Darryl F. Zanuck of Twentieth Century Fox surrounded himself with dutiful machines—in bedrooms, his offices and his editing rooms—were all wired to receive his orders around the clock. David O. Selznick made his staff work 24-hour shifts, and even considered a 14-hour shift to script his 1938 production of *Gone With the Wind*. Such major literary talents as P. Serrin Fitzgerald and William Faulkner became gods in screenwriting society. And—like the Warner execs described his outcast writers, "technicians with Underwoods." It was an industrial revolution of the imagination.

Truman: The Hollywood dream factory reinvented the world in its own image. Manufacturing miracles, tenses and passions, it created a man fast. When Cecil de Mille's *The Ten Commandments* (1923) portrayed the getting of the Red Sea with shimmering blocks of Jello, de Mille had to reform the screen public that no horses had drowned in the process. When Clark Gable stripped off his shirt to reveal a naked torso in 1944's *It Happened One Night*, American underwear sales plummeted by 58 per cent. At the end of the Second World War, Look magazine reported,

"In every country liberated by Allied arms, the first sight of a blond was Joe Bach, the second was for American movies."

Postwar Hollywood rolled through a series of truman. During the late 1940s it became a target for anti-Communist attacks. A leading studio boss became what Paramount chairman Frank Mankiewicz calls "a full-service entertainment company." The support



Hollywood is there a movie continuously larger than the place

film production declined. The studios tried to compete by producing bigger movies for wider screens, while creating a niche in TV production. In the 1960s, Hollywood adapted to another threat, home video, by making it a new market for feature films.



McNair, with Lisa Gellert, finally a capacity to absorb everything

Studios heads no longer create and deliver stars with the fire of a young star—and their lawyers—are now themselves deal makers. But under the rule of such conglomerates as Coca-Cola Co. (Columbia) and Gulf+Western Inc. (Paramount), the leading studios have become what Paramount chairman Frank Mankiewicz calls "a full-service entertainment company." The support

"gives a financial stability that didn't exist before."

Paramount, which celebrates its 50th anniversary this year, is the only big studio left within Hollywood's material boundaries. Behind the walls of its 36-acre lot, Manassas, 18, sits behind a marble-topped desk in an office once occupied by Zukor and de Mille but his background in marketing rather than film making in the 1970s he worked for Paramount's Canadian branch in Toronto. Mankiewicz took over the head office in 1964, and last year he was named chairman, as the box-office leader, with four of the top 10

movies, earning over a billion dollars and an estimated \$150 million in profits. Mankiewicz says that by signing long-term contracts with successful writers, directors and stars like Eddie Murphy, he has "enhanced the studio system."

The oldest and largest studio is Universal Pictures, which belongs to MCA, Inc.—Hollywood's most formidable entertainment conglomerate. Universal has produced some of the biggest blockbusters in movie history, including *Jaws* and *E.T.* And Universal-Telefilm, which makes *Miami Vice*, is considered TV's largest production company. MCA also owns major stakes in the music, book publishing, toy marketing and retail and mail-order sales—and 40 per cent of one of the largest theater chains in North America, DeLoach's Complex.

Produtry: In the industry, MCA is known as the Gropes, and its studios extend as far as the White House. In a recent look, Dick Vickeroy, MCA and the MCA, U.S. author Dan Nollis documents the 1970s practices into MCA's predatory practices and explores the company's close ties with President Ronald Reagan. When Reagan landed in Screen City Gold during the 1950s, he granted MCA a blanket waiver which allowed it to both hire actors as a studio and

recruit them as a talent agency. Nollis alleges that MCA later helped Reagan become a multimillionaire through insurance land deals, and managed his 1969 entry into California politics. Writes Nollis: "The standing joke in Hollywood was that 'let's even had its own governor'."

MCA headquarters is known as Black Tower, an austere steel-and-glass structure in the heart of the 40-acre complex known as Universal City. The city includes 36 sound stages, two hotels, office blocks, outdoor sets ranging from frontier towns to European streets, an eight-lane bridge spanning the Hollywood Freeway—and a lake. MCA President Sidney Sheinberg presides over his empire from a spacious office on the building's top floor. His air-cluttered desk is a small oak antique, identical to many others at MCA—the legacy of the company's founder, the late John Hess. Hess's collection of 18th-century English antiques and fine-art objects, says still serve as the uniform, but incongruous, decor throughout Black Tower.

Scary: Sheinberg, 52, a Texas-born lawyer, admits that he has never picked up any of the new books at his office shelves. His passion is business. "MCA is a totally entrepreneurial company," he says. "Entrepreneur? I use that word so frequently that people make fun of me. But it's not a catchword. I really mean it." Studio entrepreneurs seek the spotlight like a holy grail. For Sheinberg, the true blockbuster transcends entertainment. Witnessing the first audience preview of *E.T.*, he recalled, "was a kind of communal dramatic-religious experience."

But the escalating cost of creating heaven on Hollywood's earth is a perennial source of anxiety. For every megahit, there is a megaflop. And production executives rarely stay in the same job long enough to beat the blame for failure. Canadian director Norman Jewison (*Agnes of God*) says that the big studios "are all run by spiteful, ambitious, career executives. They go from one studio to another, a professional executive class that keeps getting through a revolving door."

Agency lawyers headed by Screen Artists' power brokers in Hollywood. Negotiating out-of-control movies for their superstar clients, they often usurp the

studio's traditional role by packaging deals that include director, writer and star. Mark Ratkoff, author of *Rock Power*, says that lawyer Michael Davis, head of Creative Artists Agency (CAA), is "the most influential person in Hollywood." Writes Ratkoff: "While he never gets a screen credit, everyone who matters in the industry knows who he is."

Star salaries negotiated by CAA



Marlon Brando, a controversial experience

and his colleagues can make production costs soar. The budget of Carolco Pictures Inc.'s *Rambo III* is estimated at nearly \$20 million—almost half for Sylvester Stallone's salary. Suggests Ratkoff: "What if all of a sudden Stallone loses his focus with his audience? It's at the point where things get a little bit scary." Then at MCA, makers of megahits, Hollywood's extravagance assumes coarser. "This community has gotten into many, many bad habits," said Sheinberg. "It's actually gotten worse. The business will end up being exported—look at the volume of production going on in Toronto."

Independent producers, once con-

fronted in the art-house fringe, now compete with studio movies on regular slots on the multiplexes across the country. *Star Wars* turned a modest \$11 million worldwide, up 60 per cent from the previous year. And one leading independent producer, Britain's David Puttnam (*Chariots of Fire*, *Local Hero*), became chairman of Columbia Pictures last year. Puttnam's appointment after Columbia's *Inherit* was already under way.

has vowed to cut costs and avoid formula film-making. Puttnam has also challenged Hollywood's practice of using teams of writers to overhaul scripts to a studio's specifications. "The never changed writer," he says. "If the writer who was originally right for the project can't do it, then the film won't be made."

Puttnam: One Canadian writer whose script passed through Hollywood's studio system is Arlene Sarner, who, with her husband Jerry Leitchman, cowrote *Paddy Day After Tomorrow*, directed by Peter Jackson, and starring Kathleen Turner. Paddy was Sarner's first attempt at writing a film script—but it was accepted almost at once. "After the success of *Paddy Day*," said Sarner, "we were famous for the month." In the past year the couple turned *Stephens King* and *Twice Struck* (novel). The Puttnams own a script for producer Steven Spielberg, wrote a TV pilot, and declined several offers to do custom-designed scripts for stars. Said Sarner: "You get asked to do a movie for Madonna, a movie for Eddie Murphy—then they want you to develop a script for Madonna and Eddie Murphy."

Stardom is still the ultimate commodity in Hollywood. The stars are America's most powerful and profitable asset, nurtured by the radio demography of the late office. Over the years, *Time* magazine may have surrendered its imperial grasp to businessmen—but as it turns 100, it bravely keeps up appearances. It can still claim to be a place where dream come true. A timeless wishing-well of Western culture. "The wonderful thing is," says Sarner, "no matter what I can think of in my wildest imaginations, you can create it. You can't do that anywhere but Hollywood."

—KEVIN D. JOHNSON AND ANN GREGORY
Hollywood

TINSELTOWN'S FADED GLORY

The view from the 10th-floor penthouse of the historic Hollywood Roosevelt Hotel is one the finest in Los Angeles. It is also as romantic as the couple who once inhabited the celebrity suite. Cher's David and Nicole Kerouac. Below the darkly wooded octagonal dome of the second-story bedroom, the Los Angeles basin stretches out in a 360-degree panorama. The Hollywood Hills are to the north, the sprawling suburbs of Los Angeles to the south, downtown skyscrapers tear to the east, and to the west, 14 km past Beverly Hills, lie the beaches of Santa Monica. But the romance stops abruptly at street level. The hotel's neighborhood is a contradiction. The crime rate in Hollywood's core is estimated to be four times that of Los Angeles. 81 per cent of the population lives in poverty, nearly half of the residents are foreign-born, and the average family income is \$20,000.

The sleek shops and cafés of Hollywood's glittering past have been replaced by a depressing landscape of abandoned buildings, rundown houses and stores selling cheap and shoddy goods. The streets, littered with trash, are populated by loitering teenagers and transients, drunks, drug addicts—and the homeless. To tourists who arrive expecting to see an opulent Hollywood shimmering with stars, it is often a bitter disappointment.

Glimmer: In an effort to improve conditions, the City of Los Angeles has joined with businessmen and other civic groups in a billion-dollar redevelopment program to bring celebrity money to Hollywood. Already new construction is under way, and the crime rate is dropping. In 1982, the area recorded 368 incidents—ranging from homicide to theft of wallets—related to prostitution alone. Last year that number fell to 148. Some activists claim that the key to reform is making the district of its low-life inhabitants; but nearly all observers say that way must be faced in bringing wealthy executives back into the commercial arena, and to

entirely tourists' curiosity about the area's role in cinematic legend.

The core of Hollywood—flat land nestled below the foothills of the Santa Monica Mountains—was conceived in a cinematic subdivision. Its developer laid out an orderly grid system in 1887, far residential areas. Then, in 1911, the Nestor Film Company of Bayville, N.J., opened a movie studio at the corner of Sunset and Gower Streets, and the transformation of Hollywood into the world's movie capital began. A land of citrus groves and scattered farms became home to dozens of film studios and all the accompanying paraphernalia: restaurants, nightclubs, shops and laundries.

Glamour: Hollywood's glamour accumulated over the next three decades like layers of sequins and silk. An insatiable public watched the stars dine at the Brown Derby, attend film premieres at Grauman's Chinese Theatre—and plant their feet and handprints in damp concrete as the sidewalk in front. Big bands and dancers performed at the fashionable Motormare Café, and by the 1930s the Academy Awards ceremonies gave viewers a taste of formal elegance.

The decline of Hollywood was slow—

and painful. After the Second World War, movie stars began migrating north to the hillside communities of the San Fernando Valley to preserve their privacy. Among them was Ring Lardner, who even wrote a song about his emigration. Others moved west, to the burgeoning neighborhoods of Beverly Hills and Bel-Air. Meanwhile, the birth of network television and the decline in moviegoing audiences, coupled with the rise of on-location shooting, undercut the local film industry, pre-empting the decline of other businesses as well. By the late 1950s the flower shops and boutiques had vacated Hollywood Boulevard. Finally, the 1952 departure of the Columbia studios to Burbank, across the mountains, left Paramount the only major production house in the area.

Still, Hollywood historian Bruce Tannen says that he remembers the 1950s as a time when Hollywood was the place to go—especially for teenagers. "If you wanted to cruise, show off a new car, chat's where you went," he says. But by the late 1960s, photography, movie houses and junk stores had moved in and street people joined roaming teenagers as the neighborhood's new population. Hollywood lawyer Marshall Caskley, who moved to Los Angeles in the early 1970s, recalls friends taking him to Hollywood to look at "the widows." Said Caskley: "It was part of the end of the hippie phase, with lots of flower children and head shops."

Conquest: The drug and sex shops heralded the arrival of prostitutes, gangs and other criminal elements. By the early 1980s, says Bob Taylor, captain of the Hollywood police division, the boulevard and neighboring streets had become "a real cesspool in terms of prostitution and narcotics." Another concern arose from the growing numbers of teenagers passing away to Hollywood in search of stardom. Larry Shaw, director of youth counseling at the Hollywood YMCA, said, "The kids think all they need to do is wait on a street corner and they'll be discovered." They often were discovered—by police in Cadillac's pretending to be talent agents, who would then photograph the teenagers in compromising situations or introduce them to drugs.

A Saturday morning stroll down Hollywood Boulevard, the faded heart



Reopened Roosevelt Hotel; life on Hollywood Blvd. (below) the faded heart of Hollywood

of the district, is a dispiriting exercise. The streets are a tumbled world of grime, taxis and faded sidewalks. Within a single kilometer stand dozens of abandoned stores. The few that survive sell as assortment of cheap souvenirs, T-shirts and plastic shoes, and seldom open before noon. One notable exception: Frederick's of Hollywood, renowned purveyor of belted-ered lingerie, at 6088 Hollywood Blvd.

Shine: Despite its seediness, the end of Hollywood somehow remains alive. Elements of the entertainment business have toughed it out and stayed. Hidden behind high walls and even barbed wire, radio and TV studios, record and video production companies, movie studios, prop and costume houses and live-theatre continue to thrive—grazing hope to rebellers. Inside the TV studios, means turn out weekly episodes of *Cheers* and *Pewee*. Then a few excellent bookstores remain, specializing in the movie industry and

selling posters and still photographs. The original movie palace still hosts sporting events.



has a sleek, blue-tiled complex just a couple of blocks south of Hollywood Boulevard. A modern Renaissance library, designed by Toronto-born Frank Gehry, has recently opened. New apartment buildings are under construction both north and south of Hollywood Boulevard, and some prominent production companies, including TriStar Entertainment Inc., have recently moved back. Said Bill Walsh, president of the local Chamber of Commerce: "Hollywood's biggest problem is with construction. It has stood still for 30 years. We are now building the Hollywood of the 21st century."

Gleam: Last year the newly refurbished Hollywood Roosevelt Hotel opened the doors as a \$60-million restoration of its Spanish grandeur. Developers are now planning to build a major hotel, office, restaurant and retail complex across the street. The Roosevelt's Diamond and the Vine Street Bar and Grill are at local theatres is also up.

Hollywood city councilman Michael Woo has named a building a Hollywood Exposition—a giant exhibit area recreating the glories of Hollywood for cinema fans around the world. "I want to take the best of New York's Greenwich Village and San Francisco," said Woo, "and blend them in with the theatres and the old bookstores. It should attract people to live out their fantasies and encourage innovation." Woo's plans may never come to fruition, of course, the faded city's streets are littered with the remains of shattered dreams. But the power of Hollywood to inspire dreamers is clearly remains undimmed.

—ANN GREGG—
Hollywood



Crosby, winking to the Aficionados

CANADA'S TALENT BANK

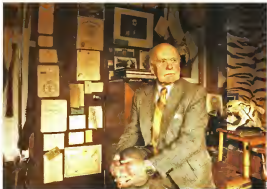
He was the tall, ambitious son of a general-store owner in Saint John, N.B., and he began his working life selling stocks and bonds. But by the 1860s Walter Pidgeon had parlayed his earthly means and status into good looks into Hollywood fame. Although the rich-voiced star of *Mrs. Miniver* and *Madame Curie* later said that he harbored no special affection for Canada, he may have been one of the first expatriate film artists to leave it from Hollywood's Canadian network. At the height of his career, Pidgeon made an appointment to discuss his salary with Louis B. Mayer, the imperious president of Metro-Goldwyn-Mayer (MGM). Mayer too had grown up in Saint John, where his father had been a junk dealer. Pidgeon and Mayer reportedly discussed discussing the actor's pay, and remarked about Saint John instead. Finally, Pidgeon said, "Look, I'm going to leave this in your hands. As a home-town boy, I know you'll do right by me."

Later, like Pidgeon, hundreds of Canadians have made a pilgrimage to Hollywood. The domestic movie industry has simply never been able to compete with the opportunities south of the border. A few of the migrants have become some of the world's movie bosses—and sponsored the creators of those bosses. Among them: Myra McKelroy, Glenn Ford, Raymond Burr and, more recently, David Sutherland, Genevieve Bujald, Nadia Durrani, Michael J. Fox. Their talents provided raw material for Twentieth-century factory. But Canada's talent has left as disposable work on Hollywood. And while the film world's Canadian Mafia is now large and well-connected, it is still regarded as a grassroots industry that pays little attention to the northern contingent.

Even before the advent of movie, Canadian entertainers—singers, actors, singers and dancers—thrived to the U.S. stage. As a result, when the movie business began—in New York, lat-

er in California—Canada lacked the talent to fuel its own nascent film industry. One of the first Canadian expatriates was Myra Brown, born May Campbell in Whitchurch, Ont., in June, 1862. A Broadway star in the 1880s, she appeared in one of the first films to be deemed as musical by the censors. Called *The Kiss*, it was just that, a sensitive close-up of a man and woman

who embraced the horse used by Rudolph Valentino in 1915's *The Sheik*. During the motion picture industry's early decades, a few Canadians were among the brightest stars. In the 1920s and 1930s, Myra Pidgeon of Toronto and Mary Dwyer of Cobourg, Ont., became cowgirls of the screen. Montreal's Norma Shearer was one of Hollywood's most popular actresses in



Borsellino: 'The crazy cowboy' who moved from the polar wastes to the fetal Congo jungle

locked in what, 80 years later, now seems a drearily sterile embrace. Some of them renounced everything to fulfill larger-than-life fantasies—but achieved only modest success. In 1904, when he was in his early 30s, Douglas Dunsheild sold his northern Ontario acres and headed for Los Angeles. But while he subsequently appeared in more than 200 movies, Dunsheild never won more than supporting roles. About the same time, movie fever drove fellow Ontarian Jack O'Brien to abandon his job as a chemical engineer. But Chisholm became only a footnote in film's stunt man who doubled for Gary Cooper in *Levi's of a Brimful Cowboy* and the effervescent

in the 1930s and used stunt producer Irving Thalberg. And in the 1940s a cheerleader from Vancouver, Peggy Younger Middleton—the latter changed her name to Yvonne De Carle—became famous as an exotic temptress in film. **Genius:** Her first starring role, in *Salome*. Where *She Danced*, involved what may have been the cinema's first romantic scene between two Canadian stars. One of her character's ornery lovers was played by Calgary-born Rod Cameron. A star in his own right, Cameron, who started his career as a stunt double and graduated to playing leads in cowboy pictures, even inspired a Rod Cameron movie book. His career in *Salome*, he made the gutter columns

in 1960 when he divorced his wife in what he could marry his mother-in-law.

De Carle, still working at age 64, returns to Vancouver from time to time, most recently last December to film *Amateur Gothic*, a horror movie starring Rod Taylor. "I always get a limousine," the actress told *Maclean's*. "Take a look around and go to see where I fell off my bicycle and scraped my elbow and had to go to the doctor to get the stitches taken out."

Power: Other Canadians carved more peripheral niches for themselves in film history. Alberta-born Fay Wray is remembered as the meekroom girl's lover in *King Kong* (1933). And Harry Smith, a Montreal Indian from the Six Nations Indian Reserve in Brantford, Ont.—better known by his acting name, Jay Silverheels—became the first North American native to have a star named after him in Hollywood's Walk of Fame, along Hollywood Boulevard and Vine Street. An accomplished athlete who had lettered in college, he applied to play lacrosse. Smith appeared in *Broken Arrow* (as Geronimo) and in *Walk the Proud Land*. He is best known, of course, as Tonto in all 228 episodes of *The Lone Ranger*. But in 1957 Silverheels complained to *Maclean's* reporter Gene Caldwell that the character of Tonto—whose dialogue included pidgin English phrases like "Shivonah plenty bad"—was an insult to Indians.

Some Canadians became the creative and technical magicians of the industry. Among the first were Richmond, Que.-born Mark Sewell (the Keystone Cops' snail) and Mel Shapiro, born in Victoria in 1903, who became one of the first female filmmakers with 1915's *God's Country and the Woman*. The first woman to establish her own production company, Shapiro remained loyal to Canada, directing and starring in *Back to God's Country* (1959), which was shot on an outdoor set in Louise Lake in northern Alberta. Later came Montreal native Mark Robson (*Valley of the Dolls*), Edmonton-born Arthur Hiller (*Hospital*)—and, more recently, Toronto-born Ivan Reitman (*Ghostbusters*) and Jesse Cameron (*The Terminator*, *Alien*) from Rapaikising, Ont.



Jarvis: creative magicians of the industry

Behind the scenes, a legion of unnamed Canadians have played their parts as technical veterans. Still is his term, Winnipeg-born Oswald Borsellino moved to California in 1914. Starting as a film laboratory cleaner, Borsellino became one of Hollywood's leading technical cinematographers. He often worked in conditions of great hard-

ship—in polar wastes while shooting *South of the Border* and in the fetal Congo jungle to make *Sandara of the River*. New 88 and living in Vancouver, Borsellino recalls, "I became known as the crazy Canadian."

Weekend: Borsellino's status credit for discovering Steve Dastagir, the East Indian child-actor known simply as Steve, who made his debut as the star of *The Elephant Boy* (1937). Said Borsellino, "I happened to go down to the Maharajah's elephant stable to see which elephants were available, and I saw a young fellow with a beautiful little physique and personality. I asked him to work with us and he almost exploded. He'd never spoken to a European before."

One of Borsellino's fellow cinematographers was Leon and Leni, from the charismatic pool-looking son of a Galt, Ont., travelling salesman. Leon got hooked on the camera's savoring while running photo booths at carnivals and during the First World War. An inventor's son, Leon once sold a phony photo story about the first female movie-camera operator in the magazine *Photoplay*, getting his wife to pose as the fictitious "female cameraman of Canadian cinema."

A pioneer of Canadian cinema, Leon left Canada in 1904 to become both a respected cinematographer and, by 1908, an inventor of sound equipment. "Len and I, brother, Charlie, were on the edge of a new technology," said Len's granddaughter Barbara Baynes, a Toronto director-graduate now reexploring a film about the two brothers. "But they remained for a couple of years in everything in the business was—and still is to some extent."

Drive: Perhaps even more than others drawn by Hollywood, Canadians remain curious. Because the nation's movie industry is smaller and weaker than that of most film-producing countries, many Canadian talents have to become immigrant creators of entertainment. Until they can flourish at home, they will continue to help drive another country's dream machine.



Shawer: into another country's dream machine

—PATRICIA HENRY in Toronto with GERALD PEARY in Boston and GERALD PEARY in Toronto

OCO's symbolic victory

In the not-for-profit business of Olympic products and sponsorship, Calgary is a small player. But Bill Hipson is a small player \$10, the Olympic Calgary Olympics (OCO) organizing committee and the Canadian Olympic Association took Hipson, owner of B J Sales, to court over his Olympic pins. For the pinheads, the most was not Hipson's 5,700 pins but protection of their Olympic rights—and the \$75 million they expect to raise through the sale of exclusive sponsorships, supplier programs and licenses for next February's Games. Hipson, they charged, was violating the Games' trademarks. Last week Calgary Court of Queen's Bench Chief Justice Justice Kenneth Moore agreed—issuing a permanent injunction barring Hipson from selling pins depicting athletes, polar bears, torches, flames, and combinations of the words "Calgary," "Winter," and "94." Said Hipson: "There are three things I don't give about. They didn't get over costs, they didn't get damages, and it also seems they can't own the exclusive right to use words like Calgary and 1994."

But ten officials also claimed victory, saying that the association's rights to combinations of the words "Calgary Winter Games '94" had been upheld. And by said-then Moore will set guidelines for words that local companies can and cannot use as they gear up for the Olympic tourist business. According to OCO officials, the decision means that businesses not licensed to use registered words and symbols cannot profit from them.

Justice Moore concluded that Hipson's pin designs were too similar to the official ones—for one thing, his bears too closely resembled the official mascots, polar bears Hidy and Howdy, manufactured by Regina-based Laurie Artin Ltd., the Games official pin supplier. Said Hipson, vowing to create new pins: "I'll find an alternate market. I'll change the polar bears to penguins."

In court, OCO lawyers argued that the organization's fund-raising program would collapse if companies could not be guaranteed exclusive use

of Games notions and symbols in their product categories. Following the profitable example of the 1984 Los Angeles Summer Games, Calgary's planners are selling 30 exclusive sponsorships to such companies as Coca-Cola and IBM. They are able to charge high fees by guaranteeing sponsors that no other company in their field will be allowed

names that existed long before Calgary was a success. The Games in 1984, Apolonia were issued, but not before several businesses endured high legal costs to prove they had been in business before the trademarks were awarded. OCO has forced name changes for several companies. Banned after 1988, including the city's Olympic Taxi which became Independent Taxi. The most celebrated case involved a small tavern called Marty's Cafe. Its owner welcomed patrons to "your unofficial Olympic headquarters." A complaint was finally reached. Marty's owner now is now ordered with the somewhat less catchy: "Welcome Marty's your headquarters during the Olympic Games in Calgary or at any other time."

Meanwhile, OCO launched a nationwide advertising campaign to deal with another problem. Recent polls have indicated that 44 per cent of Canadians believe that obtaining tickets to any Games event would be difficult, and that 63 per cent do not know where to buy them. The company's ads, appearing in 110 Canadian newspapers last week, explained that more than 300,000 tickets—the majority for events like cross-country skiing and



Hipson sporting his banned pins: penguins for polar bears

any association with the Games.

The bottle over protection of symbols has at times divided Games organizers from a city that desperately wants to get involved in the Olympics. OCO first raised the community's anger three years ago, when its lawyers sent strongly worded letters to all Calgary companies using the word Olympic. The letters ordered the companies to change their names and provide a detailed accounting as to that compensation could be determined. The letters reached firms like Olympic Pines and Olympic Biltmore, family-run busi-

nesses that existed long before Calgary was a success. The Games in 1984, Apolonia were issued, but not before several businesses endured high legal costs to prove they had been in business before the trademarks were awarded. OCO has forced name changes for several companies. Banned after 1988, including the city's Olympic Taxi which became Independent Taxi. The most celebrated case involved a small tavern called Marty's Cafe. Its owner welcomed patrons to "your unofficial Olympic headquarters." A complaint was finally reached. Marty's owner now is now ordered with the somewhat less catchy: "Welcome Marty's your headquarters during the Olympic Games in Calgary or at any other time."

—BIL GUNSON with correspondence reports



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Shame and a growing crisis for Japan

Tokyo is a hometown. Well-known across roads the city's department stores and restaurants would close a week-and the economy-making prospects in such expanding fields as real estate and finance. Over 100,000 Japanese to the city last year alone. Still, that population shift dramatically demonstrates the contrast between the thriving, service-oriented capital and depressed industrialized regions in a country that remains heavily dependent on exporting its manufactured goods. But rising labor costs and the soaring yen have blunted the competitive edge of such earlier industrial mainstays as steel plants and electronics firms. And now factories in South Korea, Brazil and other countries can produce those goods more cheaply than their Japanese competitors. As a result, some economists predict that the country's swelling share of those markets will result in Japan's unemployment rate doubling in six years by 1989.

Still, Japanese manufacturers in industries that range from electronics to automobile are attempting to offset the yen's rise in value—by almost 50 per cent against the U.S. dollar since 1985—by opening new plants in such countries as Taiwan and Thailand. And according to Japanese government forecasts, that overseas transfer of Japan's industrial core could result in as many as 800,000 Japanese workers leaving their jobs during the next 15 years.

Japan's current unemployment rate is low by western standards—Canada's is three times as high. But the scourge of joblessness has already strained traditional employment patterns under which an employee joined a company for life. Almost one-quarter of the 56-million-member labor force has a lifetime guarantee of work. But increasingly frequent breaches of those unwritten contracts, as layoffs spread, have disrupted the lives of thousands of workers.

In an attempt to ease the growing unemployment crisis, the labor ministry conducts annual job retraining

courses for workers in economically depressed regions. But some critics and students who have attended in those government-sponsored classes say that they place too much emphasis on developing the manual skills needed

that unemployed Japanese have no right to further social assistance as only the handicapped or destitute parents raising children are eligible for welfare. In addition, many of the employed themselves say that they feel



Iron bars miss over Kamushu's shantytown threaten the birthplace of Japanese steelmaking

in carpentry and construction jobs. Instead they say that government retraining centers should teach courses in computer programming and other high-tech skills that will be in demand in the future. Indeed, only 30 of the 168 students who took last year's course offered in the northern steelmaking center of Maruoka have succeeded in finding new jobs.

But assistance beyond job retraining is strictly limited. Japan's unemployment insurance program provides up to 80 per cent of a worker's final wage for 280 days—or a maximum of 260 days in depressed regions. But after

deeply advanced not to have a job. Indeed, Atsuko Tetsuoka, a Tokyo consultant who places first white-collar workers in new positions, recalled that one of his clients, concerned his dismissal from his two children and his neighbors for four months last year. But according to Tetsuoka, the children became suspicious when they noticed that their father was returning home from the office at 8:00 p.m. instead of midnight, as he normally did. Tetsuoka's solution for his client's loss of face until he eventually found a new job is a sales director job August, receiving something each day at the

employment agency, "from 9 a.m. to 5 p.m., as if nothing had changed."

Because of those widespread social pressures, large Japanese companies, such as Osaka-based Matsushita Electric Industrial Co. Ltd., strive to avoid outright firings through the time-honored practice of transferring redundant employees to thriving industries and subsidiary companies. Managers in steelmaking, shipbuilding and other mature or declining industries have similar goals, and to that end Japan's

big effort on Kamushu, a Pacific coast city of about 60,000 inhabitants, 400 km north of Tokyo. That is because Nippon is the largest employer in a city that is the birthplace of modern Japanese steelmaking. There, in 1867 Japanese nationalist Tokutomi Omura produced the government for reasons that were intended to protect the country against weapons. Arms equipped with modern weapons. Only four years earlier the Japanese emperor had to bow to U.S. demands and open his country to trade after Commodore Matthew Perry's arrival. But that refusal would result in his U.S. steel smelting Tokyo.

The Nippon executives journeyed from Tokyo last October in order to participate in celebrations marking the establishment of the country's first private steel mill in Kamushu in 1866. But only three days after Nippon chairman Yutaka Takeuchi headed four generations of the town's steelworkers for their services to the industry, company spokesmen announced that they would shut down the Kamushu plant's blast furnace next year and reduce its 2,000-member workforce to 800 employees. Nippon officials said that they expected to attain that cutback in part through older workers retiring. But they stressed that the company could not guarantee transfers to other company jobs for 1,100 younger workers.

That announcement sparked feelings of anger and betrayal throughout a community noted for its loyal and productive workforce. And some of that resentment was directed against the town's mayor last April, when he lost a bid for re-election after 12 years in office. Many of the voters recalled that he had initially described the pending furnace closure as "a matter of no great importance." In fact, city officials calculate that shutting down the furnace will also mean the loss of another 200 jobs at a nearby iron-ore mine and eliminate work for 2,000 subcontractors and 4,000 employees in restaurants, stores and other local service operations. Declared municipal spokesman Kinichi Maekawa, "Citizens would return Kamushu to how it was 100 years ago—just a village."

Kamushu, 1,300 km to the southwest, residents on the small island of Isehime have already experienced the effects of a similar steelworkers

policy. That is because the giant firm Hitachi Zosen Corp. has slashed its payroll at its shipbuilding yard on the island, only 850 employees remain from a 3,000-member workforce two years ago. For Mamoru Morikawa, 33, that massive reduction has resulted in a dramatic job change after 30 years of service. Morikawa is still on the company payroll, but instead of working as a machine architect he is now running thousands of founders for market as the president of a four-member self-forming operation. Said Morikawa: "My wife complains that I spend all my time staying fit. But the ship industry is in such a state, while fisheries has some kind of future. So I took the job even though it wasn't what I wanted."

By contrast, another marine architect with 25 years' service at the shipyard class Yu-saiji released over a transfer to a new Hitachi subsidiary.



Lost-of shipbuilders' anger over 'vacation from work'

forced to teach ship-building skills to students in underdeveloped countries. Declared 62-year-old Yashiro Miyagi, "Hitachi set up those small overseas merely to keep people employed. After three or four years they will probably go bankrupt, and if it isn't out of a job at that age it will be that much harder to be hired." Miyagi refers to his joblessness as "a vacation from work" and uses his unemployed leisure time to take his dog for walks and coach a local baseball team. But he too is considering returning to the workforce in a drastically different role, as a real estate agent. And as newly rich Japan struggles to produce competitively priced goods for the world's markets, increasing numbers of Japanese workers will likely make steadily worsening job transitions.

—MALCOLM GLAY with PETER NICOLL in Tokyo

New campaigns in the war on drugs

Critics were skeptical when Prime Minister Brian Mulroney announced last September that the government planned to wage war on what he called Canada's "drug epidemic." That declaration was made almost simultaneously with President Ronald Reagan's announcement of an anti-drug campaign in the United States, and some of Mulroney's opponents charged that he was exaggerating the problem to make political points. The drug crisis quickly disappeared from the government's visible agenda. But planning continued behind the scenes, and last week the cabinet resurrected the campaign.

Declared Health and Welfare Minister Jake Epp to be announced a \$210-million five-year anti-drug program. "There is a drug crisis in Canada!" That is a carefully orchestrated campaign, a total of six cabinet ministers announced details of the several national drug strategy.

Health administrators and law enforcement officers generally welcomed the program, which will combine government funding for rehabilitation and public awareness with tougher legislation for controlling the entry and trafficking of illegal drugs. EPP, some opponents accused Epp of grandstanding in advance of attending a United Nations conference on drug abuse in Vienna later this month.

of institutional care a year.

The plan's allocation of funds includes \$60 million for drug and alcohol treatment and rehabilitation, and \$60 million for public education, which will include a nationwide advertising campaign scheduled to begin on

power police to train and seize the profits of drug dealers.

That was good news to RCMP Chief Supt. Rodney Stansler, the Ottawa-based director of drug enforcement, who said that the trafficking of high-profit drugs such as cocaine has mushroomed alarmingly. "In major centres we are making up to 50-page warrants," Stansler declared. "This was unheard of two years ago."

Still, pharmacy professor Joan Markham, president of the provincially funded, Toronto-based Addiction Research Foundation, said that alcohol abuse is the No. 1 drug problem in Canada. She added that she endorsed the new strategy because "it comes out with the right direction—the reduction of alcohol and the inclusion of treatment."

The overall plan was developed by a special co-ordinating unit, the Interdepartmental Secretariat on Drug Abuse, which was organized on the initiative of Health and Welfare officials last November in response to growing concerns of a need for government action. The secretariat, with a staff drawn from various government departments, is operating on a temporary basis, but executive director Barbara Darling said that the life expectancy of the policy-making unit is "open-ended," and that it will be "in place until the job is done."

Meanwhile, officials at Health and Welfare said that they plan to set up a federal task force which, according to a news release issued last week, will "consider the creation of a national focus to ensure that expertise in the drug-abuse field is shared for the benefit of all Canadians." But the announcement does not set out procedures to make clear how that would be done. Said Darling: "Let's call it a mechanism, but not necessarily bricks and mortar."

For his part, Epp said that it will take time to see the effects of the drug strategy, but that the government is committed to seeking long-term results.

—MAYE MYER with ANNE ROBERTS in Ottawa and NORA ENERHOLM in Toronto



Cracking on Toronto streets: a crime and a campaign

June 11. As well, Epp said that the 1953 Food and Drugs Act and the 1970 Narcotics Control Act will be replaced by a more comprehensive act that will enable law enforcement officers to deal quickly with new drugs coming onto the market.

Among separate announcements following Epp's initial statement, Solicitor General James Killebra and Minister of National Revenue Elmer Mackay said that drug squads attached to the RCMP and Canada Customs will get more personnel and equipment. And Justice Minister Roman Hnatyuk announced that the Criminal Code will be amended to in-



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Reisback (left) and Langeau can't find more clues about a friend's murder.

FILMS

Rebels without a heart

KEVIN'S EDGE

Directed by Tim Hunter

The first to see the body at the river's edge is Tim (Joshua Miller), a 12-year-old pipe-squawk who has just thrown his little sister's doll over the bridge to a nearby river. Tim does not find the sight particularly shocking. But soon, led by the theatrical Layne (Crispin Glover), the youths come down to the edge of the river and poke curiously at the naked corpse of Jamie (Dany Bevis), the girlfriend of the handsome, black-jeweled John (Daniel Reisback). When he recalls raping and killing her, John exclaims, "She was dead there in front of me, and I felt so f---ing alive!" In the during and after *Kevin's Edge*, the teenagers are members of a troubled generation. Their only feelings are artistically induced—those they get with the mood lighters and dreamboats both they and their neurotic parents crave.

Still, *Kevin's Edge*'s shocking screenplay, laced with black humor, is based on an 1981 incident that occurred in Northern California. Director Tim Hunter reinvents that horrible event in a stark, expository style. But *Kevin's Edge* also bears an eerie resemblance to last year's psychotic *Rain Forest*. In fact, its stark, evocative tones have been shot by the same cinematographer, Frederick Elmes. And Dennis Hopper, *Rain Forest*'s unforgettable

depraved personification of evil, once again plays a maniac—this time a one-legged redneck named Peck who supplies dope to the kids.

Peck lives in a shack with an inflatable plastic sex doll. Years ago he too killed his girlfriend. But in one last exchange, the screenplay portrays the difference between the values of Peck's generation and those of the teenagers. Peck's was a crime of jealous passion. "I was in love," he tells John. But the younger man killed merely on a whim. "I strangled him," John replies.

The teenagers in *Kevin's Edge* use cameras, and Hunter gets superb performances from a cast of unknowns. Particularly brilliant is Glover as the hyperactive Layne, wired on amphetamines. The actor takes enormous risks in his portrayal, coming dangerously close to caricature—but few will forget his howls of grief at the end. Layne wants to cover up the murder and protect John because, as he sees it, Jamie is dead and John is still alive.

But two of the teenagers, Matt (Kevin Reeves) and Clarissa (Lise Skye Litch), have moral qualms about keeping the strictly secret, and Matt eventually reports it. They are the only ones cautiously alive here, and their attraction to each other provides its only ray of hope. Let viewers beware: this is a dark movie, with a dark villain.

—LAWRENCE OTTOLE

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JUNE

A comedy about a typical family and the unusual house-guest who changes all their lives

HARRY and the HENDERSONS

John L. Hodge, Kevin Peter Hall, Melinda Cullen, David Suchet, Joshua Ruckey, Don Ameche, Laraine Hazen

JUNE

A contemporary action comedy of cops and mobsters

DRAGNET

DAN AYKROYD • TOM HANKS
CHRISTOPHER RUMMER
HARRY MORGAN
GABRIEL CORMAN
directed by TOM MANKIEWICZ

JULY

That time it's personal!
**JAWS
THE REVENGE**

Laraine Gary, Lance Guest,
Meno Van Poppel, Karen Young
and MICHAEL CAIN
directed by Joseph Sargent

JULY

NORTHSHORE

BOOKS

Lament for the Americas

MEMORY OF FIRE VOL. II
FACES AND MASKS
By Eduardo Galeano
(London House, 476 pages,
\$27.75)

It is a rare treat to encounter a book with such dense moral and imaginative insight. For that reason alone it would be hard to over-praise *Memory of Fire*, Uruguayan Eduardo Galeano's passionate and



Galeano contributing to the rescue of kidnapped memory

agely nuanced trilogy, which sets out to narrate a true history of the Americas. Brilliantly translated by Cedric Belfrage, both Vol. 1, *Guns, Sails, and Empires*, and Vol. II, *Faces and Masks*, are frankly intended to reclaim history or, as Galeano puts it, to make a contribution "to the rescue of the kidnapped memory."

The first volume begins with pre-Columbian myths and closes with the end of the 17th century. *Faces and Masks* covers 1700 to 1990. Galeano has done his research voraciously and well. The bibliography for *Faces and Masks* alone contains 361 titles. But this is no ordinary history. Captivating and original, it is a lament, an accusation—and a heart-breaking celebration of decency and enlightenment.

With a novelist's eye for detail, Galeano dramatizes his material in more than 400 prose poems that create a kaleidoscope of brilliant images. The overall effect is of a mosaic or a great tragic saga. Peopled with poets and tyrants, gentle saints and hom-

ties, foreign adventurers and runaway lovers, bandits and patriots, the book chronicles Latin America's 19th-century struggle for justice—which is betrayed again and again.

Among the scores of people who appear in Galeano's pages—ranging from British ascendant Charles Darwin to U.S. president Theodore Roosevelt—are reformers and revolutionaries like Nicaragua's Augusto Sandino and Cuban journalist and poet José Martí. Martí, Galeano says, always wrote "as if hearing, where it is least expected, the cry of a newborn child." The book also describes an American adventurer, William Walker—a southern gentleman and ardent defender of slavery. Backed by mercenaries recruited in San Francisco and New Orleans, Walker proclaimed himself president of Nicaragua in 1856. "I will order the death of anyone," he said, "who opposes the imperial march of my forces." Galeano writes, "He has eyes of children. He calls him-

self the Predetermined. He dresses in black. He hates anyone touching him."

Frequently, Latin Americans were exploited by Europeans or U.S. interests. But often not with ferocious clarity, Galeano dramatizes the way in which national prejudices, anti-died capitalism, religious and racial bigotry and physical or cultural genocide too often overwhelmed the struggle for autonomy and hope. Yet despite seemingly insuperable odds, the region remains a brilliant river of passionate, enlightened thought and courageous action.

One of the differences between colonialism and imperial powers must be that the former needs to remember and the latter to forget. Few writers perceive that theme more poignantly than Galeano. Writing with a ruthless anger, with compassion, love and eloquence, progressing with the inevitable force of tragedy, *Faces and Masks* is a triumph of imagination and art.

—GERALD GIBSON



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View from the bridge

IN THE SKIN OF A LION
By Michael Ondaatje
(McClelland and Stewart,
\$24 paper, \$22.95)

The works of writer Michael Ondaatje are clearly inspired by a deep strain of romanticism, an attachment to faraway places. From the American Wild West backdrop of *The Englishman's Boy* to the 1979 Governor General's Award—the fragment Sri Lankan garden of his 1982 autobiography, *Russian in the Family*, Ondaatje's taste, poetic prose thrives on the foreign and exotic. These settings allow him to create an unfamiliar, almost suffocating self-contained atmosphere in which anything might—and usually does—happen. The latest novel, *In the Skin of a Lion*, is Ondaatje's first book-length attempt to come to terms with Canada, his home since he arrived as a young Sri Lankan immigrant in 1962. Unfortunately, his literary homecoming, set in Toronto and its hinterland during the first half of the century, is far from an unalloyed triumph. In *The Skin of a Lion* captures some of Ondaatje's best writing to date—but also much of his weakest.

Ondaatje is essentially a poet, and his prose is best when it shares the sensuous and beautiful electricity of his poetry. Those characteristics make the novel's opening pages transcendent. One of Ondaatje's heroes is a solitary construction worker named Nicholas Ternelcoff, who grows the underside of a massive, unfinished bridge, doing jobs that no one else dares to do. Ondaatje's narrative of Nicholas's midlife rescue of a man who falls off the bridge is absolutely breathtaking.

But the bulk of the novel is given over to the life of Patrick Lewis, who is drawn into Ternelcoff's Macedonian immigrant community by his love for two women, Clara and Alice. Ondaatje fails to bring Patrick's lovers or his feelings for them to life. His controlled prose, so good at describing objects and people at a distance, turns the more delicate issues of intimate human relations to stone. In the *Skins of a Lion* manages to read occasionally, but in the end it is more likely to tell its readers to sleep.

—JOHN BENDISSE

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Family enjoying french fries, a synthetic product to avoid the weight gain

HEALTH

Fat without calories

Fat adds flavor to meats, vegetables and baked goods. But—true to its name—it is also fattening. Concentrated in such foods as red meat, butter, margarine and cooking oils, fat has a high calorie content: 35 grams of margarine, for example, contain 225 calories compared with the 38 calories in an equal portion of a protein such as lean chicken or a carbohydrate such as boiled rice. In addition, medical experts say that an excess of fat can lead to health problems: it causes the bad-cholesterol substance cholesterol, which can clog arteries and promote heart disease. But now, the Procter & Gamble Co. (P&G), an international food and consumer products company headquartered in Cincinnati, has developed a synthetic, calorie-free fat substitute that it is seeking permission to use in cooking oils, spreads and shortenings.

If the U.S. Food and Drug Administration (FDA) approves the product, which P&G calls olestra, consumers may soon be able to enjoy fatty foods, such as french fries, potato chips, margarine and pie, with only a small percentage of the accompanying calories. As well, they may be able to do so without the same health risk: the product appears to reduce rather than promote cholesterol buildup.

Composed of natural sugar and a va-

riety of edible oils, olestra, which is also called sacrose polyester (SPE), can be manufactured in both solid and liquid forms, comparable in texture and appearance to shortening and oil. But P&G spokesmen say that its big advantage over other calorie-reduced foods is its taste. According to Ann Echlin, media relations manager for the company's Toronto-based Canadian subsidiary, Procter & Gamble Inc., olestra "tastes and cooks like full-calorie fats and oils, but it does not have fat, calories or cholesterol." P&G's team of researchers say that its molecular structure prevents enzymes that normally break down fat from working on olestra. As a result, olestra cannot be digested or absorbed into the body.

But developers say that olestra's molecules also attract cholesterol molecules already present in the digestive system, bond with them and carry them out of the body. Indeed, company researchers say that in some studies, olestra has cut levels of cholesterol in the blood by as much as 20 per cent. As a result, the product poses fewer potential health risks than many synthetic food substitutes, which are absorbed into the bloodstream and body tissues.

However, because the ingestion of some natural fats is essential for sustaining good health, P&G is asking

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the FDA for approval to market olestra only as an ingredient in standard oil and fat products. The company wants to substitute olestra for up to 35 per cent of the fats contained in home cooking oils, shortenings and spreads, and up to 75 per cent of the fats in commercial deep-frying products used to make snack foods such as potato chips.

PGI scientists have been testing and developing olestra for about 30 years in conjunction with independent university researchers. Earlier versions of the fat appeared to have a mild laxative effect—but company spokesmen say that they have now improved its composition. But before marketing the product, they now have to convince the FDA that the use of olestra would not create health problems. Some scientists say that they are worried that people might use such a product too extensively. John Vanderzant, for one, a food scientist at the University of British Columbia, cautions that the exclusion of any synthetic fat could rob the body of essential vitamins, acids and energy.

Natural fats are carriers of vitamins A, D and E and are necessary for cell and membrane integration and function. As well, they contain essential fatty acids, such as linoleic acid, which provide much denser sources of energy than either proteins or carbohydrates. Said Vanderzant: "It is desirable to decrease fat intake, but not to exclude it." But if olestra is used as one of several fat sources, he said, "that would be a real plus."

Indeed, if it becomes possible to make low-calorie fried foods, dieters' eating habits could change dramatically. Douglas Holmes, general manager of marketing for Foodways National Inc. in Baiter, Idaho—a frozen foods manufacturer that produces meals and desserts under the Weight Watchers International name—says that his company is monitoring olestra's research and development. Said Holmes: "We might consider selling Weight Watchers frozen portions if we could get a better product using OPI."

Still, the U.S. government review is likely to take as long as two years. And Toronto's Belsite added that because the company has not yet applied for approval in Canada, "I cannot speculate on the product's future here." According to Harry Smith, chief of the food regulatory affairs division of the federal health protection branch, if PGI were to approach the Canadian government for approval, a review could take several years to complete. But, added Smith, "it does sound like a dream ingredient—almost like it's too good to be true."

—ANNE STEALS in Toronto

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A scene from *Starlight Express*. Cats (below), a box office bonanza unlike anything since *Gilbert and Sullivan*

THEATRE

The multimillion-dollar music man

In Sydney, Australia, Andrew Lloyd Webber's *Cats*, the British composer's musical adaptation of T.S. Eliot's light verse, is running in London. The Phantom of the Opera, his latest West End hit, is playing. And on Broadway his new version of *Starlight Express*, the most expensive production ever mounted there, is already one of the Great White Way's top-grossing shows, despite boxoffice reviews when it opened in March. At 39, Lloyd Webber does not please all of the critics all of the time, but he certainly delights the crowds.

His works appear to be everywhere. Last week on a densely packed evening from left Toronto's Elgin Theatre, where during its two-year run the Canadian production of *Cats* grossed a record-breaking \$10 million as the box office Stage hands unpacked the trucks. 36 hours later at Calgary's Jubilee Auditorium—the first stop on an eight-month tour that includes Vancouver and Montreal. Despite tickets priced as high as \$45, 90 per cent of the available tickets for *Cats* have already sold.

Long before *Cats*, Lloyd Webber spearheaded the revival of the musical theatre. As a box wonder of 25, he co-wrote the provocative rock opera *Jesus Christ Superstar* with lyricist Tim Rice, currently, he is a powerful player in

the international musical theatre establishment. As many as three Lloyd Webber musicals have played at one time on Broadway and in London's West End. And Michael Raudiff, the arts critic for the *London Observer*, "His popularity is quite extraordinary. There's been nothing like it in England since Gilbert and Sullivan."

The intense, creative composer is also a virtuoso businessman; his company, the Really Useful Group, holds the copyright for all of his music written since 1978, through a subsidiary, the firm co-produces works by Lloyd Webber and other playwrights and composers. In 1986 the Group began offering public shares on the London Stock Exchange, and its value is now estimated at more than \$62 million.

Despite his reputation as a temperamental workaholic—the cast and crew of *Phantom* nicknamed him the Phantom of the Opera—Lloyd Webber seemed relaxed during an interview in his New York hotel suite earlier this

year. Rehearsals for the American production of *Starlight Express* were behind schedule, and there were problems with the show's elaborate, computer-controlled set. Still, Lloyd Webber—wearing a pair of heavy maroon shoes, one with a flapping sole—was in good spirits. *Phantom*'s second track had just become the first cost album to go platinum (300,000 copies) in the United Kingdom within 10 days of its release, and the show was the first musical to have three hit singles on the British Top 10. And Lloyd Webber, of *Phantom*'s appeal.

"Musicals are seriously the music of today. If you had said that when I started writing, you would have been laughed out of town."

Born in London in 1948, Lloyd Webber has always been surrounded by music. His mother, Joan Johnston, taught piano and musical theory to children; his father, William, was director of the London College of Music. As a child, Andrew played piano, violin and French horn and published his



first composition, *The Joy Study*, in 1969 to 1980, shortly before he emigrated to Canada to study history, he was *The Joy Study*, 21, an aspiring lyricist. Lloyd Webber dropped out of Oxford after only one term to collaborate with his old mate.

For three years they tried to corral their pet ideas. Then, in 1980, their luck changed: a London boys' school hired them to write a short work that became *Joseph and the Amazing Technicolor Dreamcoat*, an upbeat cantata based on the biblical story of Joseph and his coat of many colors. The next year Lloyd Webber and Rice set to work on a full-length rock opera that would win them international fame: *Jesus Christ Superstar*.

Their rock treatment of the life of Christ played better than a road. By the time it opened in New York in 1971 and in London the following year, Lloyd Webber and Rice had already released a *Superstar* sound-track album that earned wide acclaim. The musical ran for more than six years in London.

But a follow-up effort, *Jesus*, which Lloyd Webber cowrote with playwright Alan Ayckbourn, was a commercial failure. A musical based on the works of British humorist P.G. Wodehouse, it closed after one month in London's West End. Tired with Rice again, Lloyd Webber recovered his stride in *Joseph* (1981), a portrait of Eva Perón featuring the mighty anthem *Don't Cry For Me, Argentina*. Despite its success, creative differences forced Lloyd Webber and Rice to part company.

When the composer announced that his next musical would be based on T.S. Eliot's whimsical children's poems, *End of Phoenix's Book of Prayers* and *End of the World*, many choruses expected that without Rice the result would be another *Jesus*. But, Lloyd Webber recalls, had either supposed halfhearted "no plot, harshly been dressed as a religious and demanding liturgy." And as director, the Royal Shakespeare Company's Trevor Nunn, had never done a musical. Lloyd Webber even had to mortgage his house to complete the production's financing. But the musical has now been running for six years in London and 11 on Broadway—where it now scores Tony Awards—and shows no signs of slacking in either city.

Shortlist Elements, Lloyd Webber's next production, surpassed even *Jesus* in extravagance. In the current Broadway production, performers on roller skates portray railway cars and engines racing for the title of the fastest train in America. The critics damned it—*The New York Times'* Frank Rich called Shortlist "a confusing jumble of pointing noise, confusion and Ge-

ralian special effects." But the public cheered aboard.

Some of the composer's new colleagues have also attacked his work. In a recent *Out* Radio profile, British lyricist Kit Harewood acknowledged Lloyd Webber's role in reviving the British musical. But Harewood called his musicals an "invasion of a McDonald's hamburger." "It's got one slab of meat surrounded by a little bit of dressing, and then great wide of junk-bell-liearly marketed."

The composer brushes aside the invective as the complaints of short-sighted purists. Some American critics, he says, "believe that because of Broadway traditions, musicals should

have a spell. The Irish romanticism of Phoenix's seems fairly somewhere between the lush drama of 19th-century opera and 1960s Broadway low songs."

Lloyd Webber, who leads *South Pacific* in musicalist Richard Rodgers in his favorite popular composer, says Phoenix grew out of his need to write "a huge 1,500-year-old, 100-year-old, 50-year-old" but Charles Hart, the 30-year-old London composer who wrote Phoenix's lyrics, has said that "some of the stuff that went in was too sentimental for my taste."

Lloyd Webber's involvement can be disappointing, but it is also his strength. When *Jesus* finished its run in Toronto, Timothy French, the dance captain for



Brightman, Lloyd Webber, a musical businessman dubbed "Technician of the Queen"

go in one direction only. These people have no understanding of the Beatles or Elvis Presley.

Lloyd Webber balances his own appreciation for Presley with a love of Puccini, and his classical side comes to the fore in the requiem mass he wrote in 1984 and dedicated to his father, who had died in 1980. *Requiem*, which incorporates pop vignettes in a predominantly classical mode, received its New York premiere in 1986 with Plácido Domingo and Lloyd Webber's wife, Sarah Brightman, singing solo roles. Even the critics saw merit. *The New Yorker* described it as "a 'Yak' work and an honest one."

For his part, Lloyd Webber says that *Requiem* proved him for Phoenix, his most classically informed musical to date. The gospel story focuses as a deftly dramatic gesture and an opera singer who falls under

the tearing Goliath show, analyzed its triumph in terms of its charm. He says his favorite performance are the musicals, when "the parents who bring their children because children's theater."

Lloyd Webber has more projects under way, including a musical about complex love affairs and a reunion with Rice to stage a 50th-anniversary sequel to *Joseph and the Amazing Technicolor Dreamcoat*. And a revival of *Jesus* is now playing in London, where it has won better reviews the second time around. Even that dividing hand of Britain who have never attended a *Jesus* performance have been hearing a lot of his most recent work lately. The theme song for Prime Minister Margaret Thatcher's election campaign *Party* ballad has to be his, Lloyd Webber is calling the tune.

—FANIELA TOUNG in New York



New Day's Japan theatre group celebrating the power of working people

The agitprop players

The residents of Whitby Pier, a blue-collar neighborhood of Sydney, N.S., have a reputation for hard work, hard drinking and recreational browsing. Whenever Sydney's small clutch of theatre buds managed to lure touring companies to the area, the people from Whitby Pier stayed away as drunks that might have discouraged the organizers of *Stands! the Gulf*, an international festival of political theatre. But the host, the Canadian Popular Theatre Alliance, was a group with a mission. For 10 days earlier, last weekend, regulars at the Whitby Pier Legion Hall took refuge in the basement lounge, while the upstairs lounge hall featured plays celebrating the power of working people.

Three hundred participants—theatre lovers, educators and social activists—from more than a dozen nations were there to make their case that theatre should spring from grassroots and challenge the powerful. By day, they addressed their subject in panels and workshops; by night, the festival's 40 performances—at Whitby Pier and other settings in Sydney—raged from the riotous Marxism of an Edinburgh-based troupe called Tilt, to the post-humorous comedy revue, *Doctor Science's Home Comedy for Nuclear War*, by Vancouver singer Bob Boman.

As political as it was dramatic, the festival program was colored in shades of pink. Contributions of \$10,000 from the United States Workers of America and \$5,000 from the Canadian Auto Workers supported a left-of-center perspective, and the selection of Sydney over Halifax as the festival's site was based largely on the steel-and-mining city's long history of organized labor. In fact, the festival's name recalled the bitter steel-workers' strike of 1952—specifically, a company boss's boast that the strikers were on the point of surrender, that "they cannot stand the gulf." Festival organizer Ruth Schneider declared that her objective was "to get the body politic to realize they have power!" Indeed, many foreign delegates made it clear that theatre is a potent weapon against the suppression of free speech. Revolution director Augustus Bial spoke of sending actors in the streets to stage events that would draw passers-by into political debates. Said Bial: "You take theatre to the people to engage the center. It's essential." Nigerian director Opa Abah noted that his government, usually so tightly controlled as a cranium, reacted only mildly when a community theatre group drew attention to their village's inadequate water supplies.

is announced by an Ontario union.

Said Whitney Pier crowd hand ground for each cultural transplant in Dominion past. But the show, which started with a New Delhi chorale in Caribbean rhythms, or East Indian mime dancer Akshay Ray, whose works tackle such topics as rising prices in New Delhi shanties. Despite its nod to local labor history, *Stands! the Gulf* drew its audience largely from Sydney's middle class. Crowded one Legion sidewalk after a performance of a play about Canadian immigrant Agnes Marshall. "There's not four of them here who know who Agnes Marshall is."

Other Canadian festivals of popular theatre may elicit less critical reactions. This week Montreal hosts the Theatre Festival of the Americas, and later this year Toronto plays out one popular theatre festival. But whenever actors stage their causes, political theatre is bound to provoke strong responses. And that, says Bial, is the point. "We try to make the spectators aware. The ultimate objective is to change reality."

—GERRI WOOD in Sydney

MACLEAN'S BEST-SELLER LIST

FICTION

- 1 *Five Trials*, Saul (1)
- 2 *Devil's*, Anderson (1)
- 3 *The Endless War*, Givens (1)
- 4 *Winters*, Hackett, Thomas (1)
- 5 *The Ladies of Whitcomb*, McLaughlin (1)
- 6 *Sherry*, King (1)
- 7 *Heaven's*, Hackett (1)
- 8 *The Eyes of the Dragon*, King (1)
- 9 *The Prince of the Desert*, King (1)

NONFICTION

- 1 *More Advice from the Back Street*, Reid (1)
- 2 *Class*, Pansini, Sherry (1)
- 3 *The Fitzgeralds and the Kennedys*, Goodwin (1)
- 4 *The "F" of the Harbours*, McNeil (1)
- 5 *Burns*, Fowler (1)
- 6 *But Many*, Fowler (1)
- 7 *Others Unpublished*, McLaughlin (1)
- 8 *Unseen Lines in the Road*, Sherry (1)
- 9 *Controlling Interest*, Who Owns Canada? (1)
- 10 *Big War*, The Unpublished (1)

Reprints of *Frank Shearer*, Kelly (10)
1. *London last week*
—Compiled by Frances McLaughlin



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